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# ***JPRS Report***

## **Soviet Union**

### ***WORLD ECONOMY & INTERNATIONAL RELATIONS***

No 6, June 1989

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# Soviet Union

## WORLD ECONOMY & INTERNATIONAL RELATIONS

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[The following are selected translations from the Russian-language monthly journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA published in Moscow by the Institute of World Economy and International Relations of the USSR Academy of Sciences. Refer to the table of contents for a listing of any articles not translated.]

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**World Economics & International Relations**

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**Summaries in English of Major Articles**

18160012a Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 p 159

[Article: "The Issue in Brief"]

[Text] Answering the letter of the Japanese specialist on the labor movement S. Asahara, published in this issue of MEMO, E. PRIMAKOV, V. MARYNOV and G. DILIGENSKY discuss some urgent problems of the new political thinking, the way it corresponds with Marxism-Leninism, with priority of universal human values in international life, with understanding of the modern world's integrity and estimation of the new features in nowadays capitalism.

The deterrence and the prevention of war: where is the principal difference between the two approaches? Analyzing this problem, A. SAVELYEV contributes to the discussion of the most urgent points of international life and of various approaches to strengthening security put forward by Soviet and foreign scientists and representatives of the military circles. The author considers different aspects of the strategic situation and military and technical development which are subject of a theoretical dispute on military sufficiency and may be subject to agreement in the future.

"Conversion: Conceptual and Practical Aspects" by E. BUGROV is an offer to begin a discussion aimed at profound research of the important problem, exchange of ideas and experience connected with the vital interests of the world community.

Analyzing the latest processes in international politics P. GLADKOV pays his special attention to the growing integrity of the world. A new character of "international society" is replacing the traditional "international community." The latter used to be resulting from the balance-of-power policy; the former is based on the balance of interests. In which way and degree can such society be ruled? What is the essence of the interaction between different communities at micro- and macrolevels? The article "International Community: Utopia or Real Perspective?" presents an attempt to answer these questions.

Practically all Western countries with ethnic minorities are now facing ethnic conflicts. In some of them such conflicts have serious impact on the internal political situation. What are the reasons for this phenomenon? Can we consider it universal, argue, as some scholars do, that the world has entered "the age of nationalism" or are there other factors—related to the postwar development of capitalism? H. ZAGLADINA deals with these questions in the paper "National and Racial Relations in Western Countries."

Do the so-called long waves of economic development exist? If they do what are their causes? These questions, put more than a century ago, are still actively discussed nowadays. V. ZUBCHANINOV and N. SOLOVIEV investigated one of the important aspects of this problem. The results of their scientific research are presented in the article "Inventions and Long Waves.med"

1992 is the closing date of the creation of the European Community's single internal market. The debates on different aspects of West European integration are widening as this event comes nearer. The analysis of the discussions, held in France, is presented in the article "On Single European Market" written by I. EGOROV, our Paris correspondent.

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"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1989

**Objections to 'New Political Thinking' Addressed**

18160012b Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 pp 5-18

[Article by Yevgeniy Maksimovich Primakov, academician; director, IMEMO [Institute of World Economy and International Relations] of the USSR Academy of Sciences; Vladlen Arkadyevich Martynov, corresponding member, USSR Academy of Sciences; deputy director, IMEMO of the USSR Academy of Sciences; and German Germanovich Diligenskiy, doctor of historical sciences; editor-in-chief, MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA: "Certain Problems in the New Thinking"]

[Text] FROM THE EDITORS: The directors of IMEMO of the USSR Academy of Sciences and the editors of our journal received a letter from S. Asahara, a Japanese researcher of the labor movement. We know him as a major contributor to the development of collaboration between Soviet and progressive Japanese sociologists.

In his letter, S. Asahara poses a number of theoretical and political problems connected with understanding the new political thinking.<sup>1</sup> There is reason to believe that the author of this letter is not only the only one keenly interested in these questions—they are discussed in the labor movement in many countries. Considering all this, it was decided that the journal would publish the author's letter with his permission and the reply by those to whom S. Asahara's questions were addressed.

**What is the new political thinking?**

The "new thinking" is a concept that quite recently became a part of the modern world's sociopolitical life. Nevertheless, the ideas that are expressed by this concept and the political practice that embodies them have today become one of the most important factors in international relations and are widely echoed in world public

opinion and in the positions of all manner of parties, governments, and social movements. They are actively discussed in political and scientific circles and are the subject of heated debate.

One of the central questions arising in this regard can be formulated as follows: what is the subject of the new thinking and to what spheres of social activity do its approaches and conclusions apply?

Foreign policy issues and principles and avenues of development of the relations of peaceful coexistence and collaboration in the world arena unquestionably occupy a central place in the new political thinking. However the significance of the new thinking is much broader. It essentially contains a certain understanding of the results of socialist and capitalist development and the features of the modern era and develops a model of world social development corresponding to this understanding. The new thinking theoretically conceptualizes the colossal social and political experience of the last few decades and analyzes ways of resolving the most urgent problems confronting mankind today. And it is specifically on the basis of this conceptualization and analysis that it studies current problems of international politics.

But what are the basic theoretical principles of the new political thinking that reveal the unique features of the modern era?

One of the most important of these principles consists in the affirmation of the dialectics of the wholeness of the world and its division into various types of formations and in the realization that contradictions between these formations develop within the framework of the global unity of human society.

Every Marxist knows the dialectical formula of unity and the struggle of opposites. Bias in any direction strips this formula of its dialectical nature and essentially transforms it into a dogma or invocation. Let us say candidly that in the recent past, we emphasized the struggle of opposite systems while clearly underestimating the fact that this struggle is taking place in a whole world. The characterization of the world as whole is not only the conclusion that the struggle between the two systems has not torn it into two isolated parts. It is the vision of the growth of interdependence in the world which is the basis of its greater wholeness. Such growth is also generated by the most urgent problem of survival, which has become universal for the entire world, by the development of the worldwide scientific-technological revolution, by the unprecedented growth of the internationalization of production, and by the development of the world economy.

Worsening problems that are shared by all mankind, including the ecological problem which knows no boundaries, the problem of combating disease, etc., are of considerable importance for understanding the increasing wholeness of the world.

The reasons for a certain degree of underestimation (and sometimes, rejection) of the wholeness of the world by Marxist theory in recent decades possibly stem from the following. The Great October Socialist Revolution and a number of socialist revolutions in other countries created a fundamentally new global situation: capitalism ceased to be an all-encompassing socioeconomic system; the socialist formation began taking shape on earth. The fierce struggle of imperialism against the Land of the Soviets and then the Cold War against the entire socialist community transformed the confrontation of the two formations into the dominant feature of the world situation. In the period following World War II, it began exerting an extremely strong influence on international relations, on the foreign policy of many countries, and made a deep impression on the course and results of the colonial peoples' struggle for national liberation. These conditions created the basis for the view of the division of the world as the fundamental and virtually sole characterization of the modern age. Contrary to Marxist dialectics, this division was absolutized and understood as something self-sufficing, as incompatible with the wholeness of the world.

The result was that imperialism's policy of isolating socialism intensified the trend toward the economic, political, and cultural self-isolation of socialist countries and the psychology of the "beleaguered camp." During the Stalinist period, no little role was played here by internal political factors—references to the struggle against imperialism were also used to justify despotic power and the disregard of the vital interests of the masses. Self-isolation led to the serious inhibition of socialist economic and scientific-technical progress, promoted the accumulation of negative, antidemocratic phenomena in sociopolitical life, and also had a negative impact on socialism's foreign policy.

At the same time, the politics and psychology of "total" confrontation had a negative impact on the activity of progressive, democratic forces of capitalist countries, strengthened the positions of reaction, and enabled it to strive for the political isolation of the communist movement. Thus, the theoretical and practical ignoring of the objective wholeness of the world became a serious brake on the social progress of mankind.

But we are discussing all this in retrospect. The ignoring of the wholeness of the world in our time, which bears the stamp of a number of processes and phenomena that were unknown not only in Lenin's day but also until relatively recently, can create much more danger for the progress of mankind and for its fate. Most important among them is the improvement of the means of mass destruction that created the real threat that mankind would destroy itself in the fire of thermonuclear war.

Someone may object that this deadly threat, the need to renounce mass destruction weapons, and the necessity of peaceful coexistence among countries belonging to different social systems were recognized long before the advent of the new thinking. This is so but the total

misfortune is that the slogans of disarmament and peaceful coexistence were for a long time combined with the orientation toward the confrontation of socialist and capitalist countries in the international arena. Such a combination was expressed in the definition of peaceful coexistence as a form of the class struggle.

One of the most important conclusions of the new political thinking is that under the conditions of confrontation, it is impossible to secure any manner of firm guarantees of peaceful coexistence and to exclude the threat of thermonuclear war entirely. Peace that is preserved under such conditions is at best peace on the brink of war. Even if we assume that under conditions of confrontation it was possible to secure the substantial limitation of the thermonuclear weapons race and even the destruction of the corresponding arsenals, this could not in itself exclude the resumption of this race at any worsening of the international situation and consequently could not exclude the risk of thermonuclear catastrophe. It follows from this that it is not enough to merely pursue a policy of peaceful coexistence and disarmament, but that it is also necessary to make the accomplishments of this policy irreversible and to stabilize international relations on the firm basis of peace and trust between nations.

From the point of view of the new political thinking, the realization of these goals presupposes a fundamentally new type of relations between countries belonging to different social systems. This means not merely the absence of war between them, but rather the relations of all-round collaboration, the renunciation of confrontation and the transfer to the class struggle to the sphere of international relations, and hence their deideologization. Naturally, the basic contradiction between socialism and capitalism remains, but it is converted entirely to the plane of the peaceful competition, the peaceful rivalry of opposing systems, and the ideas and values that preclude the conflict of nations and propagandistic and psychological "warfare" between them.

In our view, the sense of the views of the wholeness of the world will not change particularly if we replace the word "wholeness" with "unity." S. Asahara attaches much importance to the differentiation of these concepts and believes that the Japanese translation that uses the term "unity" distorts the Russian text. It is difficult for us to judge the Japanese semantics of this term. However, we believe that in any case "unity" in the given context should not be construed to mean a certain harmony or identity of interests. The discussion is of such unity that is the unity of opposites from the point of view of Marxist dialectics.

A number of Marxists have raised the question of the relationship between the new thinking and Marxist-Leninist theory. The fear is occasionally expressed that it will contradict the principles of our revolutionary doctrine. This question is also raised in S. Asahara's letter.

From our point of view, loyalty to Marxism-Leninism is tested by the ability of its followers to use its theoretical and methodological principles for the creative analysis of changing historical reality. As we know, the necessity of such analysis, the inadmissibility of dogmatization and of the absolutization of previously elaborated theoretical principles were steadfastly emphasized by Marx, Engels, and Lenin. Thus in the words of F. Engels, "Marx's entire world outlook is not a doctrine but a method. It provides not ready dogmas, but points of departure for further research and the method of this research."<sup>2</sup> "We do not regard Marx's theory," V. I. Lenin wrote, "as something completed and inviolable; on the contrary, we are convinced that it has only laid the foundation stone of the science which socialists **must** develop in all directions if they wish to keep pace with life."<sup>3</sup> Dogmatism distorts this scientific nature of Marxist-Leninist theory and transforms it into a kind of holy scripture that provides ready answers to all questions of modern time.

The changes that have taken place in the world in the second half of the twentieth century are extraordinarily profound and vast. Their analysis cannot fail to lead to a serious reexamination of a number of enduring, conventional principles. As M. S. Gorbachev justly noted, "the vital, creative potential of Marxism-Leninism is by no means that everything that its founders wrote, line for line, is of absolute, eternal significance. No, the truth is always tangible. Many ideas, including the major ideas advanced by them under specific historical circumstances, are the product of their time. They have had their impact and gone down in history. But the main ones have remained for the future and still require adequate embodiment in life, naturally with regard to new conditions."<sup>4</sup>

The genetic relationship between the new political thinking and creative, antidogmatic Marxism-Leninism is obvious. The new thinking has also absorbed all the truly humanistic trends of contemporary social thought. Naturally, Marxists are not the only ones who have recognized the inadmissibility of thermonuclear war, and the threat of ecological disaster has for the first time been noted in circles that are remote from Marxism. It is not by chance, however, that it has been specifically Marxism that has succeeded in developing new thinking in the capacity of a whole political concept—a consistently humanistic concept that is alien to any manner of cliquish or national narrowness and is at the same time realistic and free of utopianism and the tendency to make pronouncements for effect. The scientific character of Marxist political thought and its humanistic and internationalistic ideals made itself known here.

The present stage in the development of Marxism-Leninism must incorporate the new political thinking. But this does not mean that the new thinking can be shared only by followers of Marxist-Leninist doctrine, that they have a monopoly on it. Such an understanding of its relationship to Marxism is sectarian and prevents representatives of different classes and advocates of

different philosophical views and beliefs and ideological and political currents from uniting on the basis of the platform of the new thinking. After all, the aim of the new thinking is specifically to define the common denominator—the common human component—in the interests and convictions of different ethnic, social-class, and other groups of people that motivate them to unite in the name of the survival of mankind. The new thinking is needed by everyone. It is open to all cultural traditions, to different philosophical and political currents. And in precisely the same way, Marxism is open to the new thinking, to the creative interpretation of the new realities.

What is more, the new political thinking does not embrace and does not propose to embrace the entire aggregate of problems studied by Marxist theory. As already noted, it concentrates primarily on the theoretical analysis of features of modern world development that stem from the coexistence of the two opposing systems in the whole, interconnected world and from the intensification of the global problems confronting mankind.

It should be emphasized that the ideas that are advanced by the new thinking cannot be considered a certain truth in the final instance and that they cannot be transformed into new dogmas. To the contrary, these ideas must become the subject of broad discussion, the stimulus to the further development of our knowledge about the modern world, and to the search for new ways of solving its problems. The orientation toward the constant search and the creative development of theory and policy is in general the basic feature of the new thinking.

We cannot fail to see that the creative development of Marxism in recent decades has been uneven: for a number of reasons, especially the special urgency of problems of war and peace and other global problems of modern times, the Marxists have developed their own new positions on them more actively and more quickly than on other theoretical and political problems. Many of these questions have not yet been subjected to creative analysis in the light of the new experience. Obsolete dogmas weigh on the understanding of these questions. As a result, the wholeness of our theory is destroyed and elements of eclecticism have crept into it. The question of contradictions in the modern era—a question that was also raised in S. Asahara's letter—is of no little importance in this regard.

#### **Peaceful coexistence and contradictions of the modern era**

Global confrontation has made the contradiction between socialism and capitalism the principal contradiction. This contradiction is undeniable. But is it correct to consider (1) that it is necessarily and inevitably manifested in the form of rigid confrontation, and (2) that it determines the totality of the dynamics of modern international relations? Indeed the designation of this contradiction as the principal contradiction hardly

reflects the realities of the modern world, which is torn by many interwoven contradictions, properly. Among them: conflicts between the interests of mankind's survival and the thermonuclear arms race; between man's production activity and the preservation of natural conditions of his life on earth; between the potential of progress opened up by the scientific-technological revolution and its actual social consequences; between the accumulation of material wealth in certain regions of the world and socioeconomic and cultural backwardness, and the hunger and poverty of hundreds of millions of people in other regions.

The thesis of the main "all-subordinating" contradiction replaces Marxist dialectics which requires the recognition of all complex interrelations of various phenomena of objective reality by a kind of bureaucratic thinking that ranges phenomena according to a rigid hierarchy and the subordination of "inferiors" to "superiors." The same contradictions are understood within the framework of such thinking not as the unity of opposites but as a breach of unity that excludes the interaction of its different sides.

Moreover, practically speaking, the absolutization of the thesis of the principal contradiction inevitably leads to the orientation toward the confrontation of the opposing sides on all fronts, to the constant intensification of this confrontation irrespective of the concrete historical circumstances including the threat of world thermonuclear war. Indeed, if the antagonism between socialism and capitalism is the principal antagonism, we should consider the task of averting such a war to be subordinate to the development of this antagonism, to the interests directing the struggle between the two systems. It remains incomprehensible how this thesis can be made compatible with the definition of the problem of preventing thermonuclear war as the principal (also the principal!) problem of modern times.

S. Asahara's letter contains the question of the relationship of the "basic contradiction of modern times" with peaceful coexistence. The obvious question is how the new political thinking relates to the definition—which was known in the past—of peaceful coexistence as a form of the class struggle.

It should be admitted that under certain historical circumstances, such an approach to peaceful coexistence was to a considerable degree justified. In the period that followed the Great October Socialist Revolution and the civil war in Russia, Marxist-Leninists proceeded from the premise that imperialism made war inevitable and that intervention against the Land of the Soviets was inevitable. Under these conditions, peaceful coexistence with capitalist countries was naturally depicted as a kind of armistice, as a respite. This meant not permanent, enduring peace, but merely the postponement of war. And at the same time, Marxist-Leninists believed in the relatively rapid development of the revolutionary process in the capitalist world, that in the foreseeable future

one country after another would drop out of the capitalist system, thereby hastening the victory of the world proletarian revolution. This also could not fail to influence their understanding of peaceful coexistence.

History of the '30's and '40's in general confirmed the correctness of the erstwhile international communist movement's forecasts of world social and political development: the outbreak of World War II, the victorious socialist revolutions in a number of countries, and the national liberation movement that later on essentially destroyed imperialism's colonial system.

In the postwar decades, there were changes in the world that radically altered the international situation and the entire aggregate of conditions of the revolutionary movement's activity. The invention and accumulation of mass destruction weapons and the subsequent attainment of strategic military parity by NATO and the Warsaw Treaty Organization posed the questions of war and peace in an entirely new light. In the early '50's and '60's, Marxist-Leninists recognized the fact that world war was no longer inevitable under the new conditions; in the '80's—that there could be no victory in a nuclear war and that world war would lead mankind to self-destruction.

Serious changes also developed in the nonsocialist part of the world. A number of changes in the economy and sociopolitical life of developed capitalist countries slowed down the development of the revolutionary process in the strategy regarding capitalism. It became increasingly obvious that revolution could not be expected from day to day, that radical social reforms are preceded by the long path of evolutionary development of capitalist society and its contradictions and the augmentation of the forces of social progress. While a number of countries that have been liberated from colonial dependence have embarked on the path of socialist orientation, their experience and the processes at work in most Third World countries attest to the colossal complexity of the problem of overcoming their economic and social backwardness and socialist-type reforms. Finally, difficulties and negative phenomena in the development of socialism that limit its influence on processes at work in the nonsocialist part of the world have become a substantial factor in the development of socialism.

All these facts, whether we like them or not, offer irrefutable evidence that the prospect of historical development is connected with the coexistence of opposing social systems that will either be peaceful or that will be interrupted by the self-destruction of mankind in the flames of thermonuclear war. There is no third option.

Such an understanding of peaceful coexistence is incompatible with its interpretation as a form of class struggle because the class struggle transferred to the international arena can only mean the subordination of the foreign political activity of countries to the principle of *kto kogo?*

[who will win?] and consequently that peaceful coexistence is merely a tactic in the "tug-of-war," in the effort to defeat "the enemy."

Such an approach is basically dogmatic because instead of maintaining the continuity of socialist foreign policy, it mechanically transfers conclusions and principles of another era to the present. This is a particularly dangerous type of dogmatism: after all, appeals to secure the "class character" of foreign policy in the event of their practical application merely mean an orientation toward a "peaceful respite" that does not exclude the use of "force" or confrontation in general. It is for this very reason that the new political thinking refuses to transfer class antagonisms and the principles of political and ideological confrontation to the sphere of foreign policy and insists on the deideologization of international relations.

However, it would be absurd to say that class interests and contradictions are not generally manifested in this sphere. There is no need to convince us that imperialist policy is fraught with aggressive, expansionist actions. The politics of socialist countries and the material and moral-political support that they render to peoples struggling for independence and social progress oppose such trends. The clash of opposing interests is indisputably manifested in all this. However, it is one thing to state this, and it is an entirely different matter to reduce coexistence to "struggle," i. e., to be oriented toward confrontation, toward the "zero sum" principle (what is good for one is necessarily bad for another and vice-versa). The focus should be on competition but also on interaction since there are not only opposing but also common interests starting with the interest of survival.

World socialism has been, is now, and will always be the natural ally of all forces of progress, democracy, and national liberation—there should be no doubt on this score. The new political thinking—contrary to statements by its "leftwing" critics—does not in some way "embellish" or make peace with imperialism. Also connected with this is our answer to S. Asahara's question of the new thinking's evaluation of the "correlation of forces in the world and the disposition of class forces." We believe that this correlation of forces makes the restriction and frustration of the aggressive militaristic trends of modern capitalism and the resolution of all specific, potentially explosive situations arising in international relations by peaceful political means possible and necessary. In the nuclear age, such an avenue is not merely the most painless but is also the only avenue that truly corresponds to the real interests of the working classes, of the freedom, independence, and progress of all peoples on earth. Not the intensification of the class struggle in the international arena, but the reliable protection of the class, ethnic, and other interests by peaceful means—such is the essence of this path which has been proclaimed by the new political thinking. Numerous facts in recent time are the first accomplishments in the area of nuclear disarmament. The Geneva accords on Afghanistan and the projected resolution of

the crisis situation in South Africa attest to the validity and promise of this course. And after all, we are now only at the very beginning of the labor path that leads to the realization of the principles of the new thinking.

While the new thinking affirms the possibility of radical restructuring of international relations, it is alien to any manner of utopianism and takes the class nature of imperialism fully into account. But at the same time, it also takes into account the growing might of antiimperialist and antimilitarist forces and their ability to influence the evolution of capitalism and its political course.

The interrelationship between the development of modern capitalism and militarism becomes very timely in this regard. Of course, militarism is the product of capitalism. But can this conclusion be equated with the statement that capitalism is totally incapable of developing without the militarization of all—especially the economic—aspects of public life? The facts indicate that this is not the case. Suffice it even to cite the example of Japan which has forced the development of its economy without the corresponding growth of militarism. We do not deny the reality of militaristic tendencies in Japan, but only emphasize that they have not been decisive in the rapid development of the productive forces under the conditions of Japanese capitalism. Such rapid development can also be considered to have become possible specifically as a result of the relatively low level of military spending.

S. Asahara's letter expresses the fear that the new thinking might validate a course of "restraining the class struggle against imperialism and the monopolies." We are convinced that this fear is also groundless. The struggle against the monopolies is waged by the working people of capitalist and developing countries and neither the ideas of the new thinking nor the political course articulated by it contain anything that would oppose this struggle. Nor is there any indication that it is indifferent to this struggle. In other words, there is no indication of problems of social progress in the capitalist world that some of our critics write about. It is only important to understand the inadmissibility of resolving tasks of social progress through international confrontation.

There is also something else that should be emphasized: it is specifically the policy of peaceful coexistence that creates the most favorable conditions for socialist construction, the successes of which form the most important contribution of socialist countries to world social progress, to the realization of the basic interests of the world working class. At the same time, such a course promotes changes in a democratic direction in the non-socialist world. The new thinking is specifically based on such a Leninist understanding of the international *[internationalnyy]* duty of socialist countries.

The impression is created that many sincere researchers of Marxism-Leninism have an unjustifiably narrow understanding of the proletariat's class interests and are prone to contrast these interests against the interests of

other strata of working people, against mankind's common interests and values. Otherwise it is difficult to explain why some circles in the labor movement are apprehensive about the new political thinking's thesis that general human values take priority over class interests. This point is also discussed by S. Asahara.

It is well known that, when the founders of Marxism were creating their doctrine of the proletariat's class struggle, they viewed it not as an end in itself but as a way of realizing humanistic ideals—as a way of liberating society from contradictions and antihuman relations forced on it by capitalism and of securing the all-round progress of mankind. As V. I. Lenin noted, "...from the standpoint of the basic ideas of Marxism, the interests of social development are higher than the interests of the proletariat...."<sup>5</sup> In our view, this premise should be applied not only to reality in Russia at the beginning of the twentieth century and to the struggle against the Russian autocracy: after all, Lenin refers specifically to Marxism's "basic ideas" and analyzes the tasks of the Russian proletariat on the basis of these ideas.

While the new thinking insists on the priority of general human values, it does not by any means contrast these values with the class interests of the proletariat. The proletariat, the working class is an integral part of contemporary mankind and is naturally no less interested than all other classes and strata in its survival. The struggle of the working class for its living standard and secured employment, for democratic rights and freedoms, and for the socialist restructuring of society is directed toward the humanization of people's living conditions and social relations in general. What is more, this humanistic, progressive character of the struggle and the conscious activity of the working class can be substantially distorted and even lost if class interests become divorced from the vital needs of real, living people.

The founders of Marxism viewed classes and the class struggle as a phenomenon of objective reality and always analyzed them in a specific historical context. The class approach to them was not an end in itself, was not some kind of "sacred principle" but was a scientifically valid way of attaining humanistic ideals. But if, as was unfortunately frequently the case in the past, this approach is dogmatized, is transformed into a lifeless system, it essentially loses its Marxist character and becomes the justification of a policy that has nothing in common with the humanistic essence of Marxism-Leninism.

In our country, we realize this full well on the basis of our own experience: as we know, in Stalin's day despotism and mass repression were justified as being in the "interests of the class struggle." This danger was also manifested in the history of the communist movement: for example, the "class purity" policy of confrontation with



Social Democracy (depicted as the "left wing of fascism"), which was conducted at one time by the Comintern, seriously impeded the unification of the working class in the struggle against the fascist threat.

In our time, the isolation of class tasks from the tasks facing all mankind and the subordination of all other goals of political activity to these tasks is especially dangerous in the sphere of international policy. As experience shows, such an approach leads not only to an orientation toward force and confrontation in the resolution of urgent international problems at the global level but also to great-power, nationalistic ambitions in the foreign policy of various countries and nations under the pretext of the "class principle."

It is important to give priority to general human values because this provides a theoretical and ideological basis a consistently humanistic and consistently peace-loving policy and prevents the class struggle from going beyond a point where it begins to pose a real threat to mankind's existence.

In S. Asahara's opinion, "at the present time...the theoretical and practical unification of the ideas of the 'priority of general human values' and the class struggle is an extremely complex task where the labor movement is concerned." Possibly this is really so, but we believe that the problem is not so much the objective as the subjective complexity associated with the strength of certain traditions and habits that have taken root in many organizations and with the inertia of obsolete approaches. But no matter how we explain this complexity, it must not obscure the urgency of solving the given problem: after all, the future of the working class and of all mankind depends on this.

Naturally, it does not behoove us, Soviet scientists, to devise specific solutions to the problems confronting various detachments of the labor movement in the capitalist world: these solutions can only be found by the labor organizations themselves in the various countries on the basis of the analysis of specific situations and the disposition of sociopolitical forces. But if we discuss the general theoretical problems in the correlation of class and general human interests that are addressed in S. Asahara's letter, we can express certain ideas concerning them. In our view, the close combination of these interests presupposes at least a consistent progressive policy in the internal social and political arena and the equally consistent support and intensification of all trends in foreign policy that "work" for the cause of peace, disarmament, and international cooperation, and for the resolution of the global problems of modern time. In a practical sense, both of these directions of activity in the labor movement largely coincide: after all, reactionary forces closely connected with the influential part of monopolistic capital are the carriers of militaristic, aggressive trends in capitalist countries.

At the same time, we believe that it would be an oversimplification to equate the struggle for mankind's

common interests with the struggle against monopolies, primarily because the mass social base of both directions of struggle and their actual and potential participants does not coincide. By no means are all people and social and political movements actively promoting a peace-loving foreign policy and international cooperation on global problems prepared to work for basic social reforms. What is more, such an orientation would mean underestimating the antimilitaristic potential of the part of the bourgeoisie, including the monopolistic bourgeoisie, not connected with the military-industrial complex, and underestimating the possibility of workers and democratic forces to influence the foreign policy of the dominant class.

The effective defense of mankind's common interests is possible only on the basis of very broad alliances of all manner of social and political forces, many of which do not share the values and ideals of the revolutionary labor movement or that are even hostile to them. The understanding of the urgency of general human, global problems and the impossibility of postponing their resolution until such time as the revolutionary labor movement succeeds in drawing the majority of the population of capitalist countries into the antimonopolistic struggle inevitably prompts such a conclusion. No one knows when this time will come but the degree to which the threat of mankind's self-destruction is real is already well known today. There are not nor can there be such political and ideological considerations that would to the slightest degree impede actions to ward off this deadly threat.

#### On the development of imperialist theory

Questions posed by S. Asahara regarding the theory of contemporary capitalism naturally require more detailed discussion than is possible in our relatively short reply.

Marxists today agree that contemporary capitalism differs in large measure not only from what it was at the beginning of the twentieth century. There have been substantial changes in its development in the course of and as a result of the transformation of monopoly capitalism into state-monopoly capitalism in the middle of the twentieth century. And now, at the end of the '80's, we are also seeing an abrupt change in numerous trends characterizing capitalism of the '60's and '70's. Marxist scholars would be poor followers of V. I. Lenin if they tried to view these changes in the evolution of capitalism only within the framework of the basic features of imperialism outlined by V. I. Lenin at the beginning of the century. This does not in any way diminish Lenin's theory of imperialism but, to the contrary, emphasizes the urgency of its creative development applicable to our time.

There is a need for a broad view of the overall picture of social development in our era, for analysis that takes into account not individual facts, but the entire aggregate of phenomena and processes comprising its content. And the study of contemporary capitalism (and, naturally,

contemporary socialism as well) requires not declarative research for the sake of effect but real research of the general and the particular. The Leninist principle of concrete analysis of a concrete situation remains the fundamental method of Marxist research.

In the context of the new understanding of the modern era (as transitional from capitalism to renewed, continuously developing socialism that embraces a long period of historical coexistence and competition of these two systems), in our opinion it is important to analyze the decisive processes of modern time in their interdependence, interaction, and reciprocal influence. This concerns first of all the restructuring and renewal of socialism, a process that should give socialism a new face, that should reveal its creative potential and humanistic nature more fully.

In the process of the renewal of socialism, there forms a new understanding of such general principles in the functioning of socioeconomic systems as commodity production and the market mechanism, as the motivation behind economic activity, as rivalry and competition, as the forms of organization, management, and regulation of social production. This approach allows us to talk about new possibilities of socialist countries to participate in the international division of labor and in the expansion of economic collaboration between countries belonging to different systems.

Even though socialism has scored numerous social gains (the elimination of unemployment; socially guaranteed education, medical care, etc.), it is still in the position of playing catch-up in the competition with capitalism. The level of effectiveness of production and the population's living standard are generally higher in developed capitalist countries than in socialist countries. When we evaluate the future of the competition between the two systems, we cannot ignore the fact that modern capitalism provides considerable latitude for the development of the scientific-technological revolution and for the growth of the productive forces in general.

Contemporary capitalism can be characterized in most general form as developed state-monopoly capitalism (even though it seems to us that this definition today also requires further development and refinement). The dominance of monopoly capital is still the basic and determining feature of this type of capitalism. And it is for this very reason that Lenin's theory of imperialism retains its fundamental significance in the Marxist theory of contemporary capitalism. At the same time, under present conditions, the dominant positions in the monopolistic structure belong to transnational capital, while private capitalist regulation of economic processes is supplemented and closely intertwined with state regulation. The latter is realized with the aid of all manner of means—legislative, economic, and social. State-monopoly capitalism has progressed through the internationalization of social production and economic integration. The existing level of economic interdependence

and the "intertwining of economies" of developed capitalist countries change forms of manifestation of the unevenness of the economic and political development of contemporary capitalism. The struggle to redivide spheres of influence, to preserve or expand positions in the world market between transnational corporations, individual countries, and centers of contemporary capitalism, that inevitably arises in the course of and as a result of change in the correlation of their forces, is still conducted under these conditions—all the numerous deviations notwithstanding—for the most part by economic means and within the framework of the competitive "rules" that are set by international economic organizations. Certain supranational mechanisms have also been created to regulate the political and economic contradictions of capitalism. Even though these mechanisms occasionally malfunction, they frequently prevent the emergence of a dangerous situation.

Strictly speaking, the premise that contemporary developed state-monopoly capitalism is not a modification of competition of the 19th century, but is in a certain sense an adequate form of the capitalist mode of production is the theoretical explanation of the adaptive possibilities characteristic of contemporary capitalism. The state-monopoly form has been characteristic of the capitalist mode of production for the relatively long time it has been in existence. But there is more to it. During this time, the monopolization of the capitalist economy and the development of the economic functions of the state have been accompanied by substantial changes in the forms of capitalist property (both in the case of joint-stock property and state forms of participation and intervention in the economy). As is known, K. Marx interpreted property broadly (see *Critique of Political Economy*) and called it the juridical expression of various historically developed production relations. And it seems to us that changes in forms of bourgeois property provide a weighty argument for viewing the theory of contemporary state-monopoly capitalism not merely as the theory of old capitalism's superstructure, but as the theory of capitalism in general.

Understandably, this interpretation of state-monopoly capitalism does not focus on successes of contemporary state-monopoly capitalism's adaptation, but rather states the historical fact that capitalism in this form has preserved its potential for the comparatively broad development of the social productive forces, i. e., Marx's words, continues to perform its historical mission.

In the last decade's discussions of the nature of contemporary capitalism and trends in its development, an important place is occupied by the discussion of the character and significance of changes in the forms and methods of state-monopoly regulation that neoconservatism have brought with it. These changes—the intensification of forms of market regulation and the restriction of state regulation, the replacement of certain ways and means of the latter by others—have become a definite

landmark in the adaptation of contemporary state-monopoly capitalism to the new conditions of management that form under the influence of the scientific-technological revolution, the internationalization of production and other factors. At the same time, the highly contradictory character of conservative policies and practices should be emphasized. On the one hand, these are unquestionably policies and practices that express the interests of the dominant class and that are directed toward the strengthening of its positions. On the other hand, they are policies and practices that are responsive to the common needs of development of social production to a certain degree.

This contradictory nature of conservatism is seen most clearly in its social orientation. The conservatives' assumption of power was accompanied by a massive offensive against the rights and attainments of the working people, as a result of which many detachments of workers and employees in capitalist countries have suffered heavy losses. However, these conservative policies are not and could not be directed toward the dismantling of the entire social security and insurance system, toward the rejection of the means and methods of social maneuvering. The principal reason for this is that the existence of the social services sector has become the objective condition and built-in element in the functioning of both the economic and political system of contemporary capitalism. The state's social spending presently defrays a considerable part of the expenditures on the education and training of the work force and on the creation of conditions for its maintenance and reproduction. They continue to serve the goals of political stabilization of bourgeois power.

Naturally, this new face of contemporary capitalist does not alter the exploitative essence of the capitalist system. State-monopoly is not capable of overcoming the limitations of the goals and forms of their realization that are dictated by the dominance of monopolistic and other forms of capitalist property. At the same time, changes in the economic and political structures of contemporary capitalism require the rejection of a number of simplistic evaluations of it. In this regard, it is particularly necessary to reexamine the theory of the general crisis of capitalism.

In our view, the idea that contemporary capitalism is developing in successive stages of the general crisis of capitalism that inexorably intensify the disparity between capitalist production relations and the level of development of the productive forces, and that are consequently hastening the collapse of capitalism has not stood the test of time. This formulation ignores the most important processes in the intraformational development of production relations that are expressed in the quite broad adaptation of the economic mechanism of state-monopoly capitalism to the patterns of development of the productive forces in the age of the scientific-technological revolution.

In the long process of gradual eradication of capitalism as a formation opened up by the Great October Revolution, there have been and naturally will continue to be periods of stages connected with the internal contradictions of capitalism and with the revolutionary upheavals and transformations of that system. At the same time, we can no longer entertain simplistic and vulgar positions in capitalist research which have unfortunately predominated in Marxist works of recent decades. We must repeat that at the present time there is a need for the integrated analysis of the coexistence of capitalism and socialism with emphasis on its current features, with sober consideration of the new aspects of the coexistence and competition of the two systems, with the dialectical vision of the interdependence of the strengthening and self-negation of capitalism as a social system, and, finally, with the understanding of the new social needs of social development. And it appears that in the light of this analysis, a hypothesis about the new stage of capitalism—capitalism in the age of the modern scientific-technological revolution that transforms both the productive forces as a whole and the mechanism of their management—has the right to exist. We believe that the development of this hypothesis will make it possible to reveal the economic and sociopolitical features of historic stages of development of capitalism in their unity, to concentrate attention on the analysis of contradictions of bourgeois society as the driving forces behind its transformation, and to determine alternative models of this transformation and socioeconomic and political mechanisms for realizing these models.

In the present stage of historical development, ever greater significance is acquired by integrated research on the changes and transformations that are taking place in social production and in bourgeois civilian society under the influence of such decisive and to a considerable degree interconditional processes as the scientific-technological revolution and the increase in the role of the human factor (including all components of the progressive and at the same time contradictory development of man, his education and culture, and his economic and sociopolitical status). This is not only a question of the current socialization of capitalist production but also of the influence of the indicated processes on the character and structure of social relations and social ideology, on the way of life and quality of life of the population and its individual strata, on changes in social priorities. It must be said that Marxist works in recent years have not devoted sufficient attention to the social differentiation of the population of contemporary capitalist society, to the development of its social institutions, to the increasing complexity and enrichment of social interests and their influence on the mass consciousness, and on the goals and forms of sociopolitical struggle. The study of world economic and world political consequences and of the changing correlation of forces between developed and developing ("peripheral") capitalisms merits our unflagging attention. This list of problems requiring deep scientific analysis and discussion can, naturally, be extended. But something else is obviously important: the

general understanding of the dialectics of social progress under the conditions of contemporary capitalism and the unity of common human and common democratic and class problems in the labor movement in the present stage.

Nor can we agree with S. Asahara's contention that state-monopoly capitalism is a phenomenon "that to the maximum degree does not fit" the capitalist mode of production. In such a formulation, the system of state economic regulation is alien to it and only performs the role of a superstructural support. We, however, view state-monopoly capitalism as a whole system within which the productive forces develop. In it the traditional [forms of economic relations are more or less organically intertwined with the monopolistic and state forms that have been generated by the socialization of production throughout the entire twentieth century.

We consider indisputably true the premise that state-monopoly capitalism today is the complex unity of market regulation, of systems for managing multibranch economies, complexes, and associations on the basis of transnational corporations and other forms of monopolies, and state macroeconomic regulation of the economy as a whole. It should be remembered that capitalist exploitation has never been the concern of individual enterprises. At the present time, it is realized more and more widely and obviously in capitalistically collective and capitalistically general-class forms.

In his letter, S. Asahara also raises the question of "not discarding the old basic program." You use these words of V. I. Lenin in an effort to validate your "old" position. It seems to us that there are no grounds whatsoever for drawing a line of demarcation between K. Marx's "Capital," V. I. Lenin's "Imperialism," and the new understanding of the nature of contemporary capitalism. What is more, this would be unfruitful because the theory of capitalism is unified just as the nature of the capitalist mode of production based on exploitation is unified. But capitalism is developing and evolving. It is modifying its forms and, taking the tasks of revolutionary struggle into account, it would be unscientific and impractical not to develop the theory, not to look for a more adequate understanding of the regularities of social movement.

When we speak about all this, we naturally do not pretend to absolute truth or to having made the final analysis. It must be continued because on the one hand the object of research is by not means static, and, on the other, the scientific means of understanding it are being improved and developed.

#### Footnotes

1. See the letter in the present issue of the journal.
2. K. Marks and F. Engels, "Sochineniya" [Works], Vol 39, p 352.
3. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Collected Works], Vol 4, p 184.

4. "Intelligentsiya pered litsom novykh problem sotsializma. Vstrecha M. S. Gorbacheva s predstaviteliymi polskoy intelligentsii" [The Intelligentsia Confronted by Socialism's New Problems. M. S. Gorbachev's Meeting With Representatives of the Polish Intelligentsia], Moscow, 1988, p 13.

5. V. I. Lenin, Op. cit., Vol 4, p 220.

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#### NATO, Warsaw Pact Doctrines Viewed

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[Article by Aleksandr Georgiyevich Savelyev, candidate of economic sciences, senior scientific worker at the USSR Academy of Sciences World Economics and International Relations Institute: "Averting War and Deterrence: The Approaches of the Warsaw Pact and NATO"]

[Text] The proposal of the Warsaw Pact member states for a comparison of the military doctrines of the Warsaw Pact and NATO may, in the case of its implementation, be an important step on the way toward strengthening security, both on the European continent, and in the entire world. The transfer of this question onto a practical plane will require serious work on analyzing a number of specific doctrinal theses which, in many cases, either differ from one another in essence, or are subject to differing interpretations in the official statements of representatives of the Soviet and American leadership.

One of the main difficulties involved in accomplishing the stated task lies in the fact that the very concept of "military doctrine" is subject to very broad and arbitrary interpretation in the United States and NATO, an interpretation which differs in many respects from the meaning of this term which is traditionally accepted in the USSR. At the same time, the military doctrines both of the Warsaw Pact and of NATO are based on certain fundamental tenets, a comparison of which may allow us to obtain a fuller idea of the different approaches of the East and the West toward the problem of security, and toward the role of the Armed Forces in guaranteeing it.

In the United States, such fundamental tenets include the idea of deterring a likely adversary, an idea which is reflected in practically all American directive documents on the problem of security. At the present time, nuclear arms are assigned the main role in the provision of deterrence.

As far as the military doctrine of the USSR and the Warsaw Pact is concerned, its main concepts are reflected in the document "On the Military Doctrine of the Warsaw Pact Member States," published in May

1987. In this document, the task of averting war is named as constituting one of the fundamental tenets of the Warsaw Pact doctrine.

Strictly speaking, deterrence (intimidation, retribution), as it is understood in the West, is considered to be a major means of averting war. It is based on the development of various strategic concepts and plans for the specific conduct of military operations employing both conventional and nuclear weapons. The major aim here is that of demonstrating to a likely adversary one's military might, and one's resolution to use it in order to "deter" him from possible aggressive actions.

The USSR and the Warsaw Pact propose that the task of averting war should be accomplished basically by political, and not military means. The entirety of such means, as proposed in the above document, and further developed at the session of the Political Consultative Committee of the Warsaw Pact Member States in July 1988, is revealed in many respects by the notion of the "impermissibility" (averting) of war. It will be further employed in the article precisely in this sense.

A comparison of the concepts "averting war" and "deterrence" may allow us not only to evaluate the differences in the approaches of the two sides toward the most urgent problem of the contemporary period—the preservation of peace—but also to find points of contiguity, which are so imperative for a successful solution of questions of security.

#### American Approaches to Deterrence

The notion of "detering" a potential adversary has its roots in the distant past. Increasing one's own forces, and making timely preparations for war were traditionally considered to represent the best means for avoiding it. The logic of such actions is quite straightforward: If an adversary fears your might, then the likelihood that he will attack is reduced to a minimum. The West is of the opinion that the appearance of nuclear weapons did not introduce any principled changes into this idea. The former United States Secretary of Defense C. Weinberger characterized the given situation in the following way: "There is nothing new in the idea of deterrence. The only thing which has changed over the millennia of the history of mankind is that the stakes in deterrence have grown with the increase in the destructive power of war." (Footnote 1) ("Foreign Affairs," Spring 1988, p 704)

The term "deterrence" [sderzhivaniye] (deterrence) [preceding word in English] in its contemporary understanding began to be used at the beginning of the forties. It related to one of the functions of the powerful United States military-naval grouping in the Pacific Ocean, which lay in deterring Japan from possible aggressive actions. With the appearance of the atomic bomb, the concept is most frequently associated with the application of nuclear weapons in response to an attack by a likely adversary, although it is not limited solely to this. As the former United States' Secretary of Defense F. Carlucci noted, "the

mechanism of deterrence consists of convincing a potential adversary that the price which he would have to pay for aggression exceeds the possible advantage." (Footnote 2) (F. Carlucci. Annual Report to the Congress; Fiscal Year 1989, "Washington, 1988, p 46)

"Deterrence" is regarded in the United States not only as a means for averting a possible attack on the United States or its allies. On a broader plane, it emerges as a foundation for the conduct of the foreign policy course of the country in many of its manifestations, for the strengthening of the position of the West at talks on limiting and reducing arms, and as a means for curtailing attempts at "blackmail" and at creating a threat to the "vital interests" of these states in different regions of the world. A characteristic feature of all the above spheres of application of the United States' policy is a reliance upon military strength, which is anchored in the idea of "deterrence" and fully corresponds to it. In the same document, F. Carlucci states: "We are aspiring not only to deter aggression itself, but also to avert blackmail of the United States, its allies, and its friends by means of the threat of its implementation." (Footnote 3) (F. Carlucci. Op. cit., p 46)

On a purely theoretical level, a distinction is made between two fundamental types of deterrence: "punishment" [nakazaniye] (punishment) [preceding word in English] and "denial" [otritsaniye] (denial) [preceding word in English]. The first case presupposes that the main deterrent factor capable of averting attack must be the threat of inflicting a retaliatory strike on the territory of a potential aggressor, whereby he suffers "unacceptable" loss. The reliability or "solvency" of deterrence depends on the extent to which the threat of retaliatory strike is real. This "solvency" may be increased by way of the creation and deployment of more stable strategic offensive arms and systems of control and communication. According to the statements and logic of the American leadership, the implementation of such a program will increase the guarantee of inflicting a retaliatory strike, even in a situation which is most unfavorable for the United States, and despite the fact that, given the existing correlation of forces, this will find expression in the total annihilation of the conflicting parties, it is precisely the inevitability of such a prospect which must deter a potential aggressor. Supporters of deterrence by way of "denial" consider that it is not the guarantee of completely annihilating an aggressor which must act as the more reliable deterrent factor, but the ability of a victim of aggression to inflict a military defeat upon an adversary, or, at a minimum, to halt his offensive, and not to allow the enemy to achieve his set goals. At the present time, the American administration is trying to extend this thesis to building up not only conventional forces, but also nuclear forces, although it admits that in a nuclear war there will be no victors.

The American theory of "escalation deterrence" ("domination") is also built on the idea of "denial." It envisages that, should war break out, the United States must

be in complete control of the situation, and dominate the development of the conflict at all stages—from conventional to nuclear. In official American documents this idea is formulated as “the cessation of conflict in conditions favorable to the United States, its interests, and its allies, and at the lowest possible level of military actions.” (Footnote 4) (F. Carlucci: *Op. cit.* p 45) To these ends it is assumed that, in the course of military operations at low levels of escalation, the USSR must be placed in conditions which are such that “its best possible decision will be that of discontinuing its aggression.” (Footnote 5) (“Modernizing U.S. Strategic Offensive Forces: Costs, Effects, and Alternatives,” Washington, 1987, p 11) In essence, making such a demand of the Armed Forces represents attempts by the United States Government to create conditions for victory in any conflict—conventional or nuclear, local or global. The modern military-strategic concepts of “limited” and “protracted” nuclear war are also built on this idea.

There is another interpretation of escalating deterrence in existence, based upon the idea of “punishment.” It lies in creating the threat of an uncontrollable escalation of conflict in the case of a non-nuclear “attack by the USSR” upon the United States or its allies in Europe. The greatest devotees of this form of deterrence are Western European countries, who see a serious danger for Europe in a number of those aims of the leader of the United States which are directed at limiting hypothetical conflict.

The stated fears also find expression in the ostensibly extremely aggressive statements of some European military and political figures such as calls for the deployment of additional nuclear and conventional weapons by the United States in this region as “compensation” for the withdrawal of American intermediate-range missiles stipulated in the INF Treaty, and in adherence to the strategy of forward defense, which stipulates the use of nuclear weapons by NATO at the early stages of a conflict with the aim of frustrating an attack by the armies of the USSR and the Warsaw Pact. All of this has also been clearly manifested in the creation and strengthening of the so-called independent nuclear forces of Great Britain and France. One of their functions, as proposed, is to be that of playing the role of a kind of “trigger,” bringing a nuclear conflict onto a global level. At the same time, the policy of the European nuclear powers in recent years has also exhibited an aspiration to effect “independent” deterrence—the ability, independently, and without the United States, to implement the function of “retribution,” whereby “unacceptable” damage would be inflicted upon the Soviet Union if war should break out on the continent.

Thus, deterrence in all of its manifestations is based on the threat of a “controllable” or uncontrollable use of military force. At the same time, according to the logic of those who adhere to this theory, the more real this threat is, the stronger the deterrence. In short, the main task of

the Armed Forces must be that of creating and maintaining a genuine threat to a potential adversary. In the opinion of the leadership of the countries of the West, this decreases the likelihood of the outbreak of war, in that it deters an aggressor from the use of military force, including nuclear weapons, for the purpose of attaining one political goal or another.

The inherent drawback of the theory of “deterrence” seems to be its unequivocal reliance upon military force for solving problems of one’s own security. At the same time, the stereotyped ways of thinking which have formed over centuries are bringing the arms race up to a level such as is difficult to explain by the requirements of defense. In particular, this relates to the growth of nuclear weapons, whose arsenal was long ago sufficient to cover all conceivable and inconceivable potentials for guaranteed destruction. At the same time, deterrent built on the idea of “denial,” toward which the leadership of the United States is showing itself to be more and more inclined, opens up significant possibilities for “validating” a continuation of military programs, each of which is destined to play a specific role in “strengthening the security” of the country.

The destabilizing role of the idea of deterrence is linked to the fact that all (or almost all) actions which are conducted with the aim of increasing the defense capability of one side or another are perceived by the opposing side as a threat to its own security. Having no instrument for the neutralization of this threat, other than that of creating an identical threat to its opponent, corresponding retaliatory measures are undertaken to increase armaments, measures which are likewise perceived at the opposite pole as an intensification of threat (which indeed they are in many cases), and this leads to an analogous reaction, and so forth. As a result, the concepts of “measures” and “countermeasures” in this sphere are virtually merged, and the arms race follows a well-trodden course and is basically only limited by financial and technological possibilities of the sides. At the same time, each of the participants in this “race” is absolutely certain of the correctness of the decisions being taken, justifying them by the actions of his opponent.

All of this leads to a heightened risk that war will break out, to increased suspicion between the sides, to a worsening of the climate of international relations, and to the undermining of strategic stability. Thus, the theory of “deterrence” in its pure form proves its own bankruptcy, that is to say the impossibility of guaranteeing security by way of the constant maintenance of a threat and by an increase of armaments.

#### **Views of Soviet Military and Civilian Specialists on the Role of Military Force in Averting War**

At the 27th CPSU Congress, a thesis was put forward which postulated that the problem of guaranteeing security “is emerging more and more as a political task, and

it can only be accomplished by political means." Nevertheless, until this task is accomplished, military force, according to the statements of the military leadership of the USSR, will continue to play a key role in deterring a likely adversary from aggressive actions. As the former Commander-in-Chief of the Joint Armed Forces of the Warsaw Pact member states V.G. Kulikov noted, "until a political mechanism is created for blocking the causes of the outbreak of war, the allied socialist countries are compelled to rely, for the most part, on a military mechanism." (Footnote 6) (V.G. Kulikov: "Doktrina Zashchity Mira i Sotsializma," M., 1988, p 50) He also pointed out that the combined military potential of the member states in conjunction with political measures "must deter an aggressor from unleashing war, and in the case of attack—must ensure guaranteed retaliatory actions." (Footnote 7) (Op. cit., p 49)

Former USSR Minister of Defense S.L. Sokolov, speaking about Soviet military doctrine, noted: "Its main tenet is that of not allowing war, of averting it. The attainment of this goal is being guaranteed by political means, and also by maintaining the country's defense and the military strength of the USSR Armed Forces at the necessary level. This existence of this strength means that no one, whoever they may be, can fail to take account of it. At the same time, it does not bear a threat to anyone, and is a real factor for the preservation of peace, and for guaranteeing international security. (Footnote 8) (PRAVDA, 23.II.1987)

The quoted statement may be seen to contain a certain contradiction: If a likely adversary is to reckon with your military strength, it is imperative that this strength should bear a threat. What is important is the nature of this threat, that is to say: Do strategic nuclear arms have the potential of a first, "disarming" strike or only of a retaliatory strike against administrative-industrial centers, and are the structure, qualitative composition, and deployment of conventional forces oriented toward attack or defense? In this connection, a prominent position is assumed by the question of the main tasks and character of those military operations of the Armed Forces of the USSR and the Warsaw Pact which are planned to repel possible aggression at all levels of military confrontation—from nuclear to conventional.

Proceeding from an analysis of contemporary soviet military-technological and military-political literature, the conclusion may be drawn that at the present time, there are a minimum of three such major tasks: Repulsing an air and space [vazdushno-kosmicheskii] attack by an adversary; neutralizing his military-economic potential; Routing the armed forces of the attacking side. All of these tasks break down into a number of smaller tasks, including "vitally important" and "alternative" ones. The planning of the composition of the Armed Forces, and the modelling of different variants for their possible application is implemented on this basis. (Footnote 9) (See, for example, N.P.

Byunenko, B.N. Makeyev, V.D. Skugarev: "Voyenno-Morskoy Flot: Rol, Perspektivy Razvitiya, Ispolzovaniya," M., 1988, pp 219-268) Within the framework of accomplishing the stated tasks, it is assumed that both conventional and nuclear weapons will be employed. Notwithstanding, in both the first and second instances, the operations of the USSR must be of a retaliatory character.

According to the statements of the Soviet military and political leadership, the strategic offensive arms of the USSR are directed at inflicting a crushing retaliatory strike in the case of nuclear aggression by the United States against the Soviet Union. This capability, which is often linked to the concept of nuclear parity, is considered to be the foundation of the security of the country, and of the socialist community as a whole. This was pointed out, in particular, by former Chief of the General Staff of the USSR Armed Forces S.F. Akhromeyev: "...We do not believe that the capability to reply to a strike on our territory with an equivalent strike represents an imbalance. On the contrary, it is the foundation for maintaining equilibrium in nuclear forces, and an important factor for the maintenance of peace and stability." (Footnote 10) (PRAVDA, 19.X.1985.)

Colonel-General D.A. Volkogonov also stresses that "only with the help of parity, which the 27th CPSU Congress evaluated as a 'historic achievement of socialism,' will we restrain a potential aggressor from taking reckless steps." (Footnote 11) (KRASNAYA ZVEZDA, 22.V.1987) At the same time, the Soviet leadership views the idea of maintaining parity as being basically distinct from the concept of nuclear deterrence in that this measure is forced upon the USSR, and it is prepared, on a mutual basis, to renounce reliance on nuclear weapons as a means of guaranteeing security.

However, both nuclear weapons as a whole, and strategic arms in particular, may create a foundation for suspicions and fears for one's own safety, a fact which was spoken of at the 27th CPSU Congress. After all, judgments as to whether or not these forces are oriented toward a retaliatory strike can basically be made according to the statements of the military and political leadership, whereas an increase in the tactical-technological characteristics of strategic arms, and the increasing vulnerability to a first strike both of weapons systems themselves, and of the complex of military command and control and communications promotes a growth of suspicion between the sides regarding plans for employing these arms. This problem has been raised many times in recent years, both in western and in Soviet research. (Footnote 12) (See, for example, "Razoruzheniye i Bezopastnost, 1987, Yezhegodnik," M., 1988, p 301-327)

Particular emphasis must be placed upon the fact that implementation of the task of repulsing an air and space attack by an adversary may lead to a sharp and rapid escalation of conflict, both horizontally (expansion of the zone of military operations) and vertically (from the



tactical to the strategic level). "Destruction of the carriers of strategic arms before they are used by an attacking adversary," is advanced as representing the main aim here. (Footnote 13) (See N.P. Vyunenkov, B.N. Makeyev, V.D. Skugarev, *ukaz.*, *soch.*, p 222-223)

Likely measures to limit these destabilizing trends in the development of the technological potentials of strategic forces appear to be quite limited, even if they are undertaken on the basis of mutual agreement. In any case, until recently the pace of scientific-technological progress in the military sphere was significantly outstripping international measures to limit the destabilizing consequences of the introduction of these achievements into weapons systems, including strategic systems. This applies particularly to the quantity of warheads on ballistic missiles, which it was found possible to limit, but only at a very high level. The power and accuracy of warheads is not limited at all, in any way, and it is scarcely possible to do this on the basis of agreement because of the technical complexities of verification. To this, we must add the appearance in recent years of new types of strategic arms with starkly pronounced destabilizing characteristics—cruise missiles with various types of basing and launching.

All of this does not in any way mean that political measures in the sphere of limiting arms are powerless to deal with the growth in destabilizing trends. On the contrary, it is evident that such measures are the only effective means of struggling against them. The more radical such measures are, the greater the effect which they have with regard to strengthening strategic stability, and ultimately the security of the parties. For example, agreements on reducing the maximum quantity of warheads on the strategic ballistic missiles which are being newly created, on a prohibition on testing low-trajectory submarine-launched ballistic missiles (SLBM), and a number of other agreements could have great significance for the strengthening of stability. However, complete security can only be provided by the total liquidation of nuclear weapons, and this is a fact to which the Soviet Union has drawn attention on many occasions in its official statements and initiatives.

Nevertheless, the USSR is compelled to maintain its nuclear weapons as a deterrent force against possible attack by the United States, or, indeed, against attempts to use these weapons as an instrument of blackmail. Thus, it can be stated that today, on a purely military plane, the strategic arms of the USSR are intended to accomplish approximately the same tasks as those which are incumbent upon them in the United States, the vital difference being that the leadership of the Soviet Union, unlike the American leadership, considers future reliance on nuclear weapons as a means of averting war to be without prospects, and extremely dangerous.

An approximately analogous situation has also arisen regarding tactical nuclear weapons. Whereas, in the sphere of strategic arms, the functions of deterrence may be interpreted to a greater degree as "punishment," in

this sphere they occupy an intermediate position, inclining both toward "denial," and toward the threat of uncontrollable escalation, and via that escalation toward "punishment." This applies to the United States and the USSR in equal measure, although recognition of the threat of uncontrollable escalation is more characteristic of the military-political thinking in the Soviet Union, which completely rejects the possibility of keeping nuclear conflict within any kind of limits. Soviet military and civilian leaders have pointed to this on many occasions. In particular, the USSR Minister of Defense D.T. Yazov, giving a description of nuclear war, stresses that "it will inevitably acquire global dimensions and lead to irreparable, catastrophic consequences both for the warring sides, and for all mankind." (Footnote 14) ("KRASNAYA ZVEZDA," 23.II.1988)

At the same time, it is imperative to note that tactical nuclear weapons have been very extensively introduced into the system of the Armed Forces of the USSR and the United States. Should nuclear war break out, they must accomplish important tasks in the field of battle within the framework of implementing the task of routing the armed forces of the attacking side. A number of military leaders responsible for the conduct of military operations at the operational-tactical level make direct and open statements to this effect. Thus, the Chief of the Political Directorate of the Ground Forces, M.D. Popkov, points out that, in the case of nuclear war breaking out, Soviet troops "may employ nuclear munitions of various power to defeat the nuclear means of the adversary, his groups of forces, and other important targets." At the same time, they are capable "within short periods of time, of exploiting the results of nuclear strikes. This makes it possible to preempt an adversary's attempts to bring up reserves to cover breaches in his defense which have been created by nuclear strikes, and to deploy an in-depth assault at high speed." (Footnote 15) ("Chest i Slava Pekhoty," M., 1986, p 11)

There is hardly a need to search, as some western researchers try to do, for a contradiction between pronouncements of this kind and the political statements of the Soviet leadership concerning the consequences of nuclear war. There is no such contradiction. It is simply the case that between the this level of military thinking and the political level, there is one further level—the military-strategic, from the point of view of which the use of tactical nuclear weapons will inevitably involve the escalation mentioned above. At the same time, the very existence of such weapons compels the military leadership at all levels, by force of military logic, to search for variants of their most effective use, and, as can be seen from a whole number of pronouncements, these variants can basically be reduced to the planning of active offensive operations with elements of surprise and preemptive actions. This really does come into direct conflict with the stated defensive orientation of the military doctrine of the USSR and the Warsaw Pact.



Therefore, it is imperative to emphasize that the presence of such weapons and the corresponding development of possible variants for their use do not in any way lower the fears of each of the sides, as is the case also in the sphere of strategic arms. This is linked to the fact that the military advantages which may be gained in employing these weapons for offensive aims are too great. In the same article, M.D. Popkov notes that "high maneuverability is the most important condition of operations when inflicting a powerful nuclear strike against an adversary. Movement forward from distant regions, or deployment directly from the march facilitate the defense of troops from the enemy's nuclear weapons, and ensure the surprise nature of an attack." (Footnote 16) (*ibid*, p 11) In this connection, given the introduction and deployment of tactical nuclear weapons in the troops, we may ask the following question: Is it possible to establish the kind of conditions in which each of the sides would feel itself to be in a position of complete or even relative security? Many specialists reply to this question in the negative. In contemporary conditions, such relative "security" is provided only by the threat of an escalation to a global nuclear conflict.

The majority of experts think that it is not so much tactical nuclear weapons as it is conventional weapons which occupy the key position at a lower level on the scale of escalation. Tactical nuclear weapons are simply a means for accomplishing military tasks which are incumbent upon general purpose forces.

In this connection, the question of the role of military force in averting a non-nuclear attack by NATO on the USSR acquires particular importance. More specifically, what we are concerned with here is the kind of actions which will be undertaken to repulse the attack of a likely adversary, and the criteria and parameters which will be used to evaluate the nature and level of a military threat; it is imperative that we make this evaluation in order to reduce the possibility of an unexpected attack to a minimum. It must be noted that many of these questions are still without an unequivocal answer, and are the subject of a broad discussion which is underway in circles of military and civilian specialists of the USSR.

One of the most serious questions in the stated list is that of the correlation of such concepts as defense and attack in the light of the demand made by our military doctrine that war be averted. A number of military and civilian leaders and specialists believe that this demand must stipulate a radical revision of one of the components of Soviet military art, namely of the attitude toward attack as being a fundamental type of military operation for repulsing aggression. Moreover, some of them believe that the USSR should completely renounce attack, making the transition to an Armed Forces structure which is adapted for the conduct only of defensive operations.

Thus, the Deputy Chief of the General Staff of the USSR Armed Forces V.N. Lobov notes: "Defense is viewed as

a basic type of military operation in repulsing aggression." (Footnote 17) (*NOVOYE VREMYA*, No 8, 1988, p 25) A number of civilian experts also occupy analogous positions. In particular, L.S. Semeyko, doctor of historical sciences, speaking about the principles of the reduction of conventional weapons, emphasizes that it is imperative "to reduce armed forces and conventional weapons in Europe to a level at which neither of the sides, in guaranteeing their own security, would have the means of inflicting a sudden attack on the other side, or of developing offensive operations at all." He also believes that this must presuppose "a mutual renunciation by the sides of a type of military operation such as attack, which is traditionally considered to be fundamental." (Footnote 18) (*IZVESTIYA*, 12.VIII.1987.)

However, the overwhelming majority of USSR military leaders believe that the Armed Forces cannot completely renounce the conduct of offensive operations. They believe that the actions of the USSR in repulsing possible aggression must be based on defense, with a subsequent counter-offensive aimed at routing the adversary. D.T. Yazov, V.G. Kulikov, I.M. Tretyak, commander in chief of the Air Defense Forces, and others have emphasized this in their works. For example, Army General A.I. Gribkov notes: "Should an attack be carried out anyway, the Armed Forces of the Warsaw Pact countries will act with exceptional resolution. In the course of repulsing aggression, they will also conduct counteroffensive operations. This will not contradict the requirements of military doctrine since, as is shown by the experience of the Great Patriotic War and local wars, within the framework of defensive operations and engagements in individual sectors, such actions are not only possible, but also imperative." (Footnote 19) (*KRASNAYA ZVEZDA*, 25.IX.1987.)

More specifically, the military leadership in the person of the USSR Minister of Defense considers that the actions of the Soviet Armed Forces must consistently combine "reliable, firm, sustained, and active" defense with a subsequent transition to decisive offensive, aimed at inflicting a definitive defeat on the aggressor. (Footnote 20) (See D.T. Yazov. "Na Strazhe Sotsializma i Mira." M., 1987, p 32-33.)

The works of a number of Soviet authors examine a similar variant of the development of military operations. In particular, the well-known researchers of military-political questions, A. Kokoshkin and V. Larionov adopt quite a sceptical attitude toward the idea of premeditated defense with a subsequent counteroffensive, pointing out that it has a number of serious shortcomings to which it is impossible to give consent. First and foremost, there is the "complexity of demarcation and of monitoring each side's capability (preparations) for conducting counteroffensive or preemptive offensive operations," (Footnote 21) (*"ME i MO"*, No. 6, 1988, p 26) that is to say the very same fears which were spoken of above. They also believe that, given such a variant, the likelihood of conventional war developing into nuclear war will remain very high. Finally, implementation of a

plan of this kind will involve great complexities with regard to command and control, and the monitoring of development of events on the part of the higher political and military leadership, although these complexities will not be so great as in the case of the variant involving rapid counter-operations with the conduct of strategic offensive operations at the first stage of war.

On the whole, and at the level of conventional weapons, military force has an important role to play in deterring a likely adversary from attack. This is achieved by maintaining a level of military strength which is such as to make it possible to rout hostile forces in the case of war breaking out. However, this strength may also provoke serious fears on the part of the opposing side if it is linked to the possibility of inflicting a sudden attack, and of developing in-depth offensive operations.

### **Averting War as an Alternative to Deterrence**

This brief analysis of American and Soviet approaches toward the problem of deterrence and averting war shows that, today, the threat of the use of military force plays a key role in the context of this problem. This threat may be subject to differing interpretations by each of the sides. Thus, many of the existing strategic and tactical nuclear weapons systems, which are capable of carrying out counterforce strikes, and of weakening potential for retaliation, give the attacking side great advantages when it is the first to use nuclear weapons. However, at the same time, they play an important role in deterring a nuclear attack (and a conventional attack—according to the theses of the doctrines of the United States and NATO), in that they create the threat of a retaliatory strike. In contemporary conditions, such a threat acts as a kind of guarantee of security.

Given their existing structure, quantity, and quality, conventional weapons may also be regarded by each of the sides as threatening their security. However, at the same time, they are imperative for each of them in order to guarantee their own security. In this way, both opposing sides are, to a certain extent, hostages to their own notions about the intentions of a likely adversary, reacting very sensitively to any actions on the part of their opponent in the sphere of military preparations.

A dead-end situation has formed, and it will hardly be possible to find a way out by relying solely on means of a military-technological character. However, in order to make efficient use of all possible measures for overcoming this "barrier of suspicion," first and foremost it is imperative, in our view, to seriously revise the tasks that are incumbent upon the USSR Armed Forces in repelling aggression, and in accordance with this to define a complex of unilateral and contractual measures for the perestroika of their structure on new principles. In essence, what we must be concerned with here is working out a new strategy for employing the Armed Forces in the case of an outbreak of armed conflict, a strategy which would, to a greater degree than is currently the case, correspond to the realities of the nuclear

age and the ideas of the new political thinking which have been reflected in the military-political section of the Warsaw Pact doctrine. At the same time, particular attention must be devoted to a revision of the first and third of the tasks referred to above, namely those of repulsing an air and space attack by an adversary, and of routing his armed forces.

Should a global nuclear conflict break out, attempts to limit one's own losses, resulting from the task of repulsing an air and space attack by an adversary, are completely futile. It is generally accepted that such a war will have catastrophic consequences for the entire world. Moreover, it is precisely an attempt to limit losses which may bring the war up onto a global level, having totally blocked the possibility of a de-escalation of the conflict.

On the one hand, such a situation may exercise a deterrent effect on a potential aggressor, presenting him with the prospect of inevitable destruction if he should attack. On the other hand—purposeful actions by way of preparing to repulse an air and space attack cannot be perceived calmly by the opposite side, and, in the case of a serious political crisis, will sharply destabilize the situation, since, in the eyes of an opponent, this task of the Armed Forces must envisage the implementation of preventive actions, urging him toward the same, and consequently to the unleashing of war.

It seems that there is now an urgent need to renounce the task of repulsing an air and space attack, and to carry out a far-reaching revision of military programs in the sphere of the creation and construction of strategic offensive and defensive weapons. In our opinion, the main task of the strategic forces must be the implementation of guaranteed retaliation in the case of a nuclear attack by an adversary, retaliation which must not envisage—as a "vitally important" subordinate task—destruction of the strategic potential of the opponent with the aim of limiting one's own losses. Let us emphasize once again that the latter is quite simply unattainable, even for the side which carries out the first unexpected strike, to say nothing of a retaliatory or counter strike. That is why priority must be given to increasing the survivability [zhivuchest] of the strategic forces themselves, and of the system of military command and control, rather than orienting them toward rapid action, and increasing their counterstrike potential.

The realities of the nuclear age compel us to conclude that actions undertaken in peacetime to ensure fulfillment of the stated task are useless from a military point of view: From the military-strategic viewpoint, they are at best neutral, or may undermine crisis stability (that is to say they may incite the opposite side to take preemptive actions, should a serious political crisis arise), and from an economic point of view they are ruinous.

In our view, the function of routing the armed forces of an adversary also requires serious revision in the light of the declared defensive thrust of the military doctrine of the USSR and the Warsaw Pact. This conclusion is

linked to the fact that such a rout is impossible without strong counteroffensive potential, and, as the experience of the Great Patriotic War testifies, without significant superiority in the quantitative composition of the armed forces. Account must be taken here of the fact that from a political, and indeed from a military point of view, this task is not coincident with existing realities. From a political viewpoint, this is bound up with the fact that we do not see the kind of contradictions between the countries of the East and the West which would necessitate putting the very existence of these countries at stake, and from a military point of view, "success" in routing the armed forces of an adversary will inevitably lead to an escalation to the nuclear level, with all the resulting consequences.

That is why a transformation of the stated task into the task of repulsing attack at the level of conventional weapons, and the renunciation of immediate counteroffensive actions, reinforced by an appropriate structure and deployment of the troops, will correspond in the highest degree to the proclaimed defensive principles of the building of the Armed Forces. At the same time, we must devote particular attention to questions of localizing conflict and not permitting its horizontal escalation (for example, from the ground forces to naval theaters). All of this will give time, and the chance for a political settlement.

Today, it is important to have a complete idea of the ultimate goal of the restructuring of the system of international relations. In our view, such an ultimate goal may be the creation of a new structure for these relations, a structure free of suspicion between the USSR and the United States, and the Warsaw Pact and NATO. This must presuppose corresponding changes in the character of the military activity of the sides, and of the tasks of the Armed Forces, quantitative and qualitative shifts in their structure, and ideally—a renunciation of the creation of any threats, and of deterrence as such, and its replacement by a complex of international-legal measures, and a number of other political measures, based on the idea of averting war. If this idea is put into practice, it will mean that **in the sphere of security, relations must be built not on a guaranteed threat of the use of military force, but on a guaranteed absence of the threat of attack**, in connection with which the necessity for each of the sides to increase its military strength fades away, and incentives appear for its reduction.

This movement may be a joint one (by way of talks), but unilateral steps are also possible. It seems that significant reserves exist here. It is very probable that these reserves even exceed the volume of the unilateral reductions which were announced by M.S. Gorbachev on 7 December 1988 at the United Nations, and subsequently by a number of other Warsaw Pact member states. However, in our opinion, they may only be implemented after new tasks have been set for the Armed Forces which would be more in accordance with the ideas of a non-violent world and "defensive" defense.

It also seems extremely important that decisions to implement large-scale military programs should be taken first and foremost on the basis of political analysis. There must be an all-around evaluation here of the way in which these actions will be perceived by the opposing side, what countermeasures it may undertake, and ultimately whether or not all of this will promote the strengthening of security. Moreover, in each case, it is imperative to give a comprehensive evaluation of the consequences of a unilateral renunciation of one action or another. This evaluation must include both military and political aspects.

Of course, it is impossible to implement the idea of averting war in full unless mutual steps are taken. These steps must concern not only the limitation and reduction of the Armed Forces and armaments, but also all spheres of international relations. At the same time, the sphere of military activity must, in our view, remain an object of prime attention, since it is precisely here that political statements and initiatives are substantiated in fact. It is precisely according to this sphere that the sides make judgements of the intentions of each other, drawing corresponding conclusions, and embarking on steps of their own, whereby, in the majority of cases, they proceed on the basis of the worst suspicions with regard to their opponent. Depriving these suspicions of their material substantiation will help to create completely new international conditions.

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### **Military-to-Civil Industrial Conversion Discussed**

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[Article by Ye. Butusov: "Conversion: Conceptual and Practical Aspects (Theses)"]

[Text] Yevgeniy Vladimirovich Bugrov, doctor of economic sciences; sector chief, IMEMO, USSR Academy of Sciences, presented these theses in March 1989 at a Soviet-British symposium organized by the Russell Foundation and the Economics Commission of the Soviet Committee for the Defense of Peace on problems of conversion

1. In the '80's there was increased attention and interest in sociopolitical circles of many countries in problems of conversion, i. e., the conversion of the military economy to peaceful pursuits. This new mood reflects the first successes and new prospects for real disarmament especially in connection with the Soviet-American treaty eliminating medium- and short-range missiles, progress in negotiations on the reduction of strategic offensive arms, the possibility of completing a convention eliminating chemical weapons, and the commencement of talks on conventional armed forces in Europe. The Soviet Union's unilateral disarmament measures are of

major significance. The Soviet armed forces are being reduced by 500,000 men or by 12 percent, the Soviet military budget is being reduced by 14.2 percent, and the production of arms and military equipment is being cut by 19.5 percent. Substantial unilateral armed forces reduction measures are also being taken by other Warsaw Treaty countries. These positive changes in the area of disarmament have made research, development and practical recommendations on conversion an urgent topic at both the national and international level. In the theses on these questions, the approaches and evaluations are formulated as an invitation to take part in the discussion in the interest of the in depth study of this problem in the Soviet Union and of expanding knowledge and experience in an area that affects the vital interests of the world community.

2. Conversion is primarily understood to mean the conversion of military production to the production of nonmilitary products. Many practical problems relating to the conversion of material and labor resources from military to civilian use arise and require resolution specifically in the production sphere. It is at the same time also appropriate to interpret conversion more broadly as an aggregate of measures for the peaceful restructuring of other elements of the national economy connected with military activity. Reductions in the armed forces and their T/O&E weapons [*shtatnoye vooruzheniye*]; cutbacks in military research and development; closures of military bases, facilities, and institutions; the curtailment of military training activity, etc., also liberate resources and allow them to be used productively in the conversion process. Such an interpretation of conversion includes using in the national economy military equipment that has been removed from operational status as a result of multilateral and unilateral disarmament measures. The multitude of areas of conversion and the aggregate of levers and consequences require the combination of macro- and microeconomic approaches to the development and implementation of measures for converting resources to civilian use. **Conversion can be characterized as the implementation of a properly planned complex of financial, economic, organizational, technical, and other measures for the orderly conversion of military production and other military activity to nonmilitary pursuits in the course of disarmament and as the process of the corresponding change in proportions of distribution of financial, human, and material resources between civilian and military spheres.**MDNM/.

3. Works by Soviet and foreign research centers and UN materials present valid arguments supporting the conclusion that the prolonged, large-scale diversion of resources for military preparations has a depressing rather than stimulating impact on socioeconomic development which is manifested in the slowdown of economic growth rates, in the intensification of financial problems, in the increasing complexity of the employment and unemployment situation, in the deformation of scientific-technological progress, in the decline of the

living standard, and in mounting difficulties in other directions. This conclusion is based on theoretical arguments of scientists belonging to different schools and on vast bodies of empirical data. Conversion ensures the stage-by-stage elimination of the economic burden of military preparations and the normalization of the conditions of functioning of the national economy through the elimination of the disproportions and deformations generated by militarization and the release of enormous additional resources required to combat economic backwardness and poverty. This will mean the elimination of losses that are many times greater than all losses throughout the world due to earthquakes, floods, drought, typhoons, and other natural disasters. Conversion thus acts as a mechanism that eliminates the complex of negative socioeconomic consequences of the arms race.

4. The closer interrelationship between the military and civilian sectors of the economy, which is largely manifested in the development of the former to the detriment of the latter, attaches exceptional importance to the distribution of resources between two sectors under concrete national conditions. The correlation of military and civilian spending is among the most important national economic proportions. It does not occur spontaneously, but is the direct result of decisions made by the state. The choice between the civilian and military use of resources must be made by practically all countries regardless of their social system, their initiative, or their responsive role in military preparations. In real life the "action-counteraction" schema in the military area leads to the existence of greater resource difficulties for a country or coalition of countries with the relatively lesser general economic potential. These countries can reduce the economic burden of their military efforts only if they are guided by a military doctrine demanding the maintenance of their armed forces and arms at a level that is rationally sufficient for their defense.

5. The correlation of the scale of civilian and military use of resources at the national level is of a concretely historical nature. It changes sharply in peacetime and wartime. This proportion is also mobile under peacetime conditions. It forms under the influence of the balance of power in the world arena. It reflects the dynamics of the arms race and the effectiveness of efforts to limit and curb arms. From the standpoint of strengthening international security and the requirement for resources for resolving the problems of specific countries and global problems, the current level of world military spending and of national military spending should be recognized as excessive in most cases. The lowering of this level requires the reduction of military efforts on the basis of their rational sufficiency. Conversion essentially means that activity in the civilian sphere expands as a result of the narrowing of the military sector of the economy and the establishment of new proportions on a national and global scale that are in the interests of the people.

6. Conversion requires the solution of an intricate complex of economic, technological, personnel, and other

problems. However, the large-scale practical realization of such activity cannot begin before political decisions have been reached on multilateral, bilateral, or unilateral disarmament measures. The complex of measures to convert resources from the military to the civilian sphere cannot be separated from disarmament. This reflects the profound interconnection of its political and economic aspects. The implementation of conversion measures is possible only as a consequence and continuation of arms reduction decisions in the socioeconomic sphere. For all their importance, models (concrete models) of conversion cannot take the place of such decisions. Conversion is therefore primarily a political problem. It is inseparable from the scale and features of decisions preceding it regarding arms reduction and measures to implement them.

7. Even though the economic content of conversion can be the subject of independent study, the quite widespread concept of "economic conversion" does not exhaust, but rather narrows the question primarily because of the loss of the political aspect associated with disarmament. Conversion is rightly viewed as the economic and social component of disarmament, as the mechanism of transition from an arms economy to a disarmament economy. Conversion is the continuation and development of the arms reduction process. It is the extension of this process to the economic and social sphere. Arms reduction and conversion are internally unified and comprise an intricate complex of political, economic, social, technological, organizational, and other problems and form a system of interrelations, the analysis of which is important on a theoretical and practical plane.

8. The conversion conception in all its aspects at the end of the twentieth century must necessarily be based on the reality of the interconnectedness and wholeness of the modern world. Conversion, as part of the disarmament process, relates to the class of global problems that affect the interests of all mankind and that presuppose the internationalization of efforts to solve them. Even though conversion must correspond to the needs of national development, it cannot remain outside the influence of economic, energy, ecological, informational, demographic, and other factors that have gone beyond national boundaries and that have become acute global problems of modern time. Under these conditions, mankind's common values receive higher and higher priority for conversion plans, models, and practice, while activity to convert resources to peaceful uses becomes an expanding area of international cooperation. Conversion measures are not sufficiently coordinated in various countries: they must be reciprocally coordinated. Their common objective must be to increase the contribution to the solution of the global problems confronting mankind, to the preservation of civilization, and to the improvement of the quality of life on earth.

9. Other common human aspects of conversion are also important. Regardless of the social system and level of

development of the countries participating in disarmament, the conversion that is carried out inside them is an intricate complex of economic and social problems connected with the choice of alternative competitive products, with the reorganization of production, with investment measures, with cooperative relations, with the retraining and relocation of personnel, and with other activity of an administrative and technical nature. The planning of conversion and the transition to the production of new products or other civilian activity can take several years under all social conditions. The inevitability of such difficulties and the necessity of overcoming them make this a universal problem. Scientific research and historical experience show that such communality is manifested, on the one hand, in the basic practicability of conversion in socialist, capitalist, and developing countries and in the absence of insurmountable economic or technical obstacles to its realization in all situations after the political decisions have been made. The reality of the socioeconomic gain in all countries, especially in the medium and long haul, resulting from the conversion of resources from military to civilian use, is the other aspect of this communality.

10. When examining the problems of conversion, it is important to make a realistic appraisal of the potential and prospects of disarmament and to take the disarmament concept based on the experience of the last few decades as the foundation. Its essence is that arms reduction is not a one-time action, but is a long-term stage-by-stage process, the ultimate aim of which is general and complete disarmament under effective international control. The program advanced by the Soviet Union on 15 January 1986 for a nuclear-free world is designed to be implemented in stages up until the end of the present century. Proposals on armed forces and arms reduction in Europe that were approved in May 1988 at a meeting of the Political Consultative Committee of Warsaw Treaty nations in Budapest are intended to be implemented gradually. Thus, with the view of disarmament as a long-term, stage-by-stage process, the conversion of resources to nonmilitary uses has proven to be a complex of measures and actions that is deconcentrated over time. In real terms, there is a vision of a "drawn-out" conversion process which cannot but favor its preparation and practical implementation. The warnings of a number of Western researchers about the dangers of "rapid conversion" ignore the prospects for real disarmament.

11. Only in the planning stage can activity in the area of conversion precede international legal actions or unilateral measures to reduce arms. These actions and measures constitute the prerequisite and the condition to the conversion of resources from military to civilian uses. Such a sequence dictates the necessity of coordinating conversion measures, their volume, their rates, and their time with partial disarmament. The conceptual study and planning of conversion measures in connection with large-scale reduction of both strategic offensive weapons and armed forces and conventional arms, and also in

connection with the prohibition of chemical weapons are also increasingly placed on the agenda. National approaches and decisions regarding this range of questions are of paramount importance. They form the basic framework and conditions of elaboration of conversion measures at the level of enterprises and branches on a regional and local scale.

12. The role of conversion goes beyond the framework of promoting the development of the productive forces and the well-being of peoples. It becomes an important link in the actual disarmament process from the standpoint of its irreversibility. The more extensive arms reduction based on international agreements, the more probable it is that they will include provisions that envisage the curtailment of the corresponding military production and that guarantee its nonresumption. Such contractual obligations directly open the way to the conversion of resources to civilian use. Conversion measures become an additional obstacle to attempts to compensate the overlapping of certain directions in the arms race by the development of other directions in the race. If conversion were carried out under international control where necessary, the result would be the creation of resource constraints that would act as an economic guarantee of the observance of the letter and spirit of arms reduction agreements. This role of conversion would intensify in connection with the expanded possibilities for the realistic comparison of the military spending of various countries. Conversion can thus play an active part in ensuring the effectiveness of disarmament. The inclusion of special provisions relating to the peaceful use of liberated resources in agreements on disarmament measures would work in this direction.

13. Conversion also has a direct bearing on disarmament in the sense that conceptual clarity on the possibility of converting resources to peaceful uses and the demonstrable readiness to carry out effective practical work in this direction eliminate economic prejudices against disarmament. This makes it possible to win over those who have been involved in military preparations, not having the choice of employment and other sources of income, and to frustrate attempts by militaristic forces to use socioeconomic arguments to justify the arms race.

14. The study of conversion problems helps us to gain a deeper understanding of the interrelationship between disarmament and development. The road from the reduction of armed forces and arms to the practical facilitation of the solution of development problems confronting all mankind runs through conversion. Since it is a mode of actual conversion of resources liberated from the military sphere for peaceful uses, it materializes the "disarmament for development" principle and transforms disarmament into a factor of national and global development. Conversion problems occupied a significant place in the work of the International Conference on Disarmament and Development which was held in New York in August-September 1987. They were the subject of materials presented at the conference. They were raised in the statements of official representatives and

became part of the concluding document that was consensually approved by the conference. The concluding document, which emphasized the necessity of strengthening the central role of the UN in the area of disarmament and development, calls for including in that organization's programs measures oriented toward the study of conversion problems, the conceptualization of research and development results in this area, and the diffusion of the experience of such activity under concrete national conditions. The Soviet scientific community is satisfied with the conference's conclusion that the UN, as written in the concluding document, "must assist the international exchange of opinions and experience in the area of conversion."

15. Modern scientific ideas reveal the superficiality of the approach to evaluating the potential and consequences of conversion that was typical of publications and even official documents in the USSR and other countries in the '60's and '70's and that reduced to the comparison of the "simplicity and ease" of its realization under socialism with the "particular" difficulty of converting resources to peaceful uses in capitalist countries. This approach was not based on arguments that were convincing to any degree; scientific analysis gave way to simplistic propagandistic interests. For all the importance of careful evaluations of the specifics of conversion in countries with different social systems, especially with regard to the ways and means that can be used in its practical realization, the common features of this problem under different social conditions and the common regularities in the economic and social adaptation of enterprises, branches, and the economy as a whole to the new conditions of reduction of arms, military spending, and the corresponding state orders, are nevertheless of paramount importance.

16. The real potential for conversion is confirmed by the experience of the USSR, USA, Great Britain, and other countries in converting their economies to a peacetime footing at the end of World War II. The success of this mass conversion of resources from the military to the civilian sphere is common knowledge. Such maneuvering with resources, even though it was facilitated by "deferred demand" for civilian goods in a number of countries, confirms the groundlessness of militaristic circles' claims of the inevitability of drastically negative socioeconomic consequences of disarmament. Of course, we cannot draw a direct analogy between conversion in our time and conversion following World War II, especially when we consider the ever more highly specialized character of modern military production and the attendant difficulty of converting it to civilian production, and also the change in general socioeconomic conditions. Nevertheless, the postwar experience should not be ignored. It retains its significance in many respects. It is valuable not only in the respect that it helps us to understand the new complexities of conversion in recent decades. This experience is no less important by virtue of the fact that countries belonging to different social systems have simultaneously demonstrated the

potential for converting resources from the military to the civilian sphere in a short time and on a large scale. Against this background, conversion activity corresponding to partial disarmament measures that are now being negotiated or that are scheduled for negotiation seems to be less intensive and on a smaller scale. Historical criteria help us to make a realistic appraisal of the volume and solvability of conversion problems under present conditions. This does not eliminate the economic and psychological newness of the problems of modern conversion that is associated with the dismantling of a military machine created not during a war but in peacetime.

17. Conclusions concerning the basic, practical practicability of conversion in all countries regardless of the social system and level of development help us to analyze in greater depth the potential not only for inhibiting the militarization of the capitalist economy but for its large-scale demilitarization as well. Realism in the evaluation of capitalism's ability to adapt economically to the conditions of progressive disarmament helps to promote the development of events in this direction. Research on conversion shows that resistance to the demilitarization process is primarily and chiefly associated with the role of political rather than economic factors.

18. Current discussions of conversion embrace not only its theoretical aspects but also the question of how to practically convert resources to civilian uses and how to prepare to carry out conversion measures in order to avert or neutralize socioeconomic difficulties in the disarmament process. This is essentially the discussion of the conversion mechanism as regards the conditions at the end of the present century. The debates are illustrative from the standpoint of selection of directions of preparatory activity, of determining the role and responsibility of state, trade union, and other organizations in the formulation and implementation of conversion measures at the national, regional, and local level, and of identifying the ways and means that could ensure the effectiveness of converting resources to peaceful uses. The features of conversion in its national and international aspect become quite clearly discernible in the course of the search for constructive ideas.

19. The planning of conversion in the '80's has become one of the central topics of national and international discussion of the conversion of the economy from a military to peaceful orientation. Soviet scientists essentially share a common position with their colleagues in other countries regarding the necessity and practicability of planning such conversion of resources with regard to specific national conditions. The formulation of conversion plans after decades of the arms race is by no means new and is by no means simple. This is a big problem that will require considerable scientific and practical efforts. In addition to being oriented toward facilitating the solution of acute national problems, such plans must also take global interests and needs into account. If countries were to draft conversion plans in good time, this would

be evidence of their interest in fruitful disarmament negotiations and their preparedness for real arms reduction measures. The world community has properly evaluated the Soviet Union's proposal that every country prepare its own national conversion plan and the intention of the USSR to make a comprehensive study of conversion and of the preparation of the appropriate plans at the national and regional levels. The interest of the Soviet scientific community and public in the exhaustive report published in Sweden on the possibilities and avenues of conversion in that country is consequently understandable.

20. The planning of conversion is above all a substantiated choice of alternative civilian products to the production of which various military enterprises could be converted—a choice that ensures the most feasible use of the equipment and experience of these enterprises. It also entails the replacement of production equipment on one or another scale, change of technological processes, and the restructuring of management systems and cooperative ties. Within the framework of models of conversion of enterprises, their groups, and even branches in connection with future arms reduction, there is need for calculations and substantiations to ensure the profitability of new production based on the restructuring of military enterprises to the same degree. Such conversion models are the economics of disarmament in action especially because they are openly compared and the choice favors the most rational and effective use of resources that are liberated from the military sphere. Naturally, the ability of converted enterprises to operate according to the criteria of the civilian market, i. e., to minimize production costs, to guarantee production schedules and the quality and competitiveness of new products in this market, is of decisive importance here. Also involved here is the study of the complex of technical questions relating to the reorganization of production, management decisions, and marketing strategy, and, what is especially important, measures to ensure employment in the civilian sector to persons released from the military sphere, including the retraining of personnel. There also arise other problems that require technical and economic study and consideration of social factors. Only in this way can it really be shown that disarmament is an economically substantiated alternative.

21. Preparations for the orderly execution of conversion measures can be hindered by the underestimation of the role of the state in this process. It should not be reduced beforehand only to intervention in certain extreme instances. The debates on conversion have brought forth convincing arguments in favor of the active role of the state in various stages of planning and executing the conversion of resources from the military to the civilian sphere under different national conditions associated with the prevention or neutralization of possible negative consequences of conversion. This role essentially does not presuppose going beyond the traditional forms and levers of state regulation of economic activity based



on concrete social relations. There is also justification for the premise that the participation of the state in conversion activity must be commensurate with the level and duration of its efforts in the sphere of military preparations and their economic support.

22. Views of such an active role of the state do not contradict the principle of coordination of efforts in the formulation and implementation of conversion measures which presupposes participation in such activity side by side with central and local state organs of the administration of converted enterprises as well as of the trade unions. Attention is merited in this connection by a number of countries' proposals to establish national conversion councils staffed by representatives of key ministries, trade union associations, the trade and industry community, and regional and local authorities. It would appear that scientists should participate in such councils or other coordinating bodies that are vested with the appropriate powers and that form the central element in the conversion mechanism because this would ensure the participation of research institutions in this activity, many aspects of which await scientific research and recommendations. The restructuring of the economy along peaceful lines requires the active effort of all interested social groups. The coordination of their efforts is an important condition to the successful preparation and realization of conversion measures.

23. Unfortunately, many countries deny the need for official conversion measures on the grounds that they are "premature" and block proposed legislative and other measures that would outline the contours of activity to convert a military economy to a civilian economy, that would define the responsibility and functions of state bodies, the private sector, and trade unions in planning and executing conversion measures. The lag in this area is quite conspicuous against the background of the growing number of local initiatives in the area of conversion. The plan for converting enterprises belonging to Lucas Aerospace (Great Britain)—a plan that was devised by the shop stewards of this military concern and that envisages conversion to more than 100 types of nonmilitary products—is world-renowned. In a number of countries, trade unions that reflect the mood of the working people have become widely involved in the formulation of plans for the conversion of military enterprises to civilian production. The International Association of Machine Building and Aerospace Industry Workers (USA), for example, has been active in this regard. However such activity in the interest of conversion has still not led to state actions that promote local initiatives and their coordination on the basis of national plans and programs.

The Soviet and foreign community is expressing the opinion that the discussion of these questions could be supplemented by discussion of a variant of the transfer of resources liberated as a result of disarmament to the disposal of national bodies responsible for conversion, with the appropriate provisions (conversion funds) being instituted in state budgets.

24. The nature and scale of measures necessary to prevent or eliminate the economic and social difficulties that may arise as a result of the reduction of armed forces and arms with the corresponding reduction of military spending are connected with state activity in the area of conversion. The selection and execution of such compensatory measures are one of the important aspects of the conversion of resources to peaceful uses. The need for such measures is essentially universal even though concrete forms for promoting conversion must necessarily reflect the socioeconomic conditions of a given country.

25. Socialist countries can actively use the mechanism for managing production and for developing the social sphere on the basis of state national economic plans to promote conversion and to minimize the difficulties associated with it. Compensatory measures can be built into this mechanism. This means that state plans must be adjusted in connection with the possibility of restructuring military production capacities into civilian production capacities. Practical activity in this direction presupposes conceptual clarity regarding the concrete tasks of development of the civilian economy that can be resolved most effectively with the aid of conversion. This is the basis of investment, technological, organizational and other resource conversion measures, including benefits for workers and employees of converted enterprises during their reorganization and manpower retraining programs. There is also need for corresponding budget decisions since the saving on military spending that results from armed forces and arms reduction is the source of financing of these measures.

26. Nor can conversion be a self-regulating process in the capitalist countries. Of course, it would be facilitated by a high degree of diversification of production in companies filling state military orders that have the experience of converting to the production of civilian goods. For many companies, this is a normal process of restructuring of the work in a situation of structural change under the conditions of change in the demand for products when it ceases to be competitive in the national or international market. The adaptation of production to change has become a constant necessity under the influence of modern technology and therefore conversion measures can frequently be regarded as particular cases of such adaptation. Nevertheless, the scale and consequences of the conversion process go beyond the framework of conventional structural changes in the economy. Market mechanisms are capable of providing only a partial solution to the problems that are connected with the liberation of resources from the military sphere. The experience of state intervention in the economy and of using various regulatory measures can be called upon to help.

27. The possibility for formulating compensatory measures along the lines of regulating the structure of state demand for goods and services is considerable. The proportion of division of demand between military and civilian components can be changed in favor of



increasing spending on nonmilitary goods and services. Increased state financing of socioeconomic programs would be an effective means of transforming state demand without reducing the overall volume of state purchases of goods and services. It is equally obvious that the reduction of state demand, if it proved to be inevitable, could be compensated by the growth of the population's effective demand by lowering taxes. The experience of a number of countries in executing manpower training and retraining programs could also be useful.

28. It is important to emphasize that the need for compensatory measures should not be absolutized. The formulation and approval of measures for promoting conversion must not be used as a kind of "preliminary condition" to political decisions in the actual disarmament area. The sequence of measures is essentially a problem that is easily solvable on the basis of the principle of parallel efforts. Negotiations on specific disarmament measures can be combined with the planning and preparation of appropriate conversion measures to implement agreements on real disarmament at a minimum cost and with maximum socioeconomic benefit.

29. Among the various problems that relate to conversion, its connection with the employment of the able-bodied population occupies a key place. The need for such conversion of resources used in the military sphere to civilian projects, as would at least not raise unemployment, would be accompanied by the creation of new jobs to compensate the reduction of the armed forces or the work force in military production is obvious. Analysis of the possibilities and conditions of absorption of liberated labor resources by the civilian sphere, the difficulties that arise in the process, and the ways of overcoming them therefore acquires special importance. This is an area of not only theoretical appraisals but also of applied research capable of dispelling still persisting views of employment as the "first victim" of disarmament. Works by Soviet researchers do not downplay the difficulty of converting labor resources from military to peaceful uses and continue to clearly formulate the conclusion that it is fundamentally and practically possible to preserve and increase employment when the economy is converted to peaceful pursuits. It can be said that this approach is consistent with many foreign assessments and calculations of the impact of arms reduction and conversion on the labor market.

30. There is broad agreement between the positions advocated in Soviet scholarly discussions and publications and the evaluations of the International Labor Organization on the relationship between conversion and employment and unemployment. The following evaluations and conclusions coincide or nearly coincide:

—Even without the adoption of measures that compensate the reduction of military orders, the conversion of

the military industry would not cause mass unemployment in any country that is a major producer of arms and military equipment.

—The occupational makeup of the work force in military production in principle permits their conversion to the civilian sector with relative ease.<sup>20</sup> The aviation industry, communications industry, ground transport industry, shipbuilding industry, and a number of other branches require workers in similar occupations to produce similar products for the military and the civilian market. However, even with the most favorable business conditions, not all production workers can be employed in the civilian sector without retraining. The retraining period is usually less than 3 months.

—It would be more difficult—although not always—to find employment for scientific, engineering-technical, and administrative personnel that are released with the conversion to civilian production. In a number of cases, this would take longer to retrain them and to reorient them toward civilian projects.

—In the long run, the economy of various countries would benefit from the narrowing of the military sector because the same volume of investment means more jobs in the civilian sector than in the military sector and because the release of personnel from the military research and development sphere would lead to significant improvements in the social sphere.

—The effectiveness of the conversion process, especially with respect to the creation of new jobs in the civilian sector, does not originate automatically, but presupposes the necessity of compensatory measures, the nature and volume of which are directly connected to the general economic conditions in a given country.

31. The first data on the anticipated saving of resources and the potential for their nonmilitary use in connection with such an important real, disarmament measure as the Soviet-American treaty eliminating medium- and shorter-range missiles have been published in the USSR and have generated interest. It is illustrative that in the discussion of the treaty in the legislative bodies of the two countries, questions relating to conversion were actively raised in connection with its ratification. It is natural to expect more detailed information on the various socioeconomic consequences of the execution of this treaty. The main consideration here is not the scale of conversion and the benefits associated with it, but is the acquisition and assessment of the albeit limited experience of transferring resources from the military to the civilian sector under present conditions. The problems connected with conversion and the ways of solving them await public discussion. The expansion of glasnost in this area would promote disarmament and the development of an economically effective mechanism for converting resources to civilian projects. Regardless of any manner of international inspection agreements relating to conversion, the very nature of these measures

and their purpose of securing the peaceful use of resources liberated from the military sphere requires openness and an atmosphere of glasnost for activity in this area.

32. The Soviet scientific community greeted with satisfaction the officially proclaimed readiness of the USSR:

- to draft and submit its internal conversion plan within the framework of the economic reform;
- to draft a plan for the conversion of two or three defense enterprises as an experiment in 1989;
- to publish its experience in finding jobs for military industry specialists and in using its plant and equipment in civilian production.

The Soviet scientific community is oriented toward active participation in such efforts. It supports M. S. Gorbachev's proposal to order a group of scientists to analyze conversion problems in depth in general and in respect of individual countries and regions and to prepare a report on this subject for the UN Secretary General.

33. Scientific research and recommendations on conversion and the economic, technological, and other aspects of its planning and implementation presuppose the need to expand the international cooperation of scientists participating in such research. The first Soviet-American symposium on the conversion of the military economy into a civilian economy, which was held in Moscow in 1984, showed the feasibility of further international exchange of knowledge and experience in this area. Intensifying their research on this problem, the Institute of World Economy and International Relations, the Institute of Peace, and other research centers of the USSR Academy of Sciences, are prepared to develop such cooperation on a bilateral and multilateral basis in the interest of promoting disarmament, conversion, and development.

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### **New International 'Society' Seen Emerging**

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[Article by Petr Vladimirovich Gladkov, candidate of historical sciences; scientific associate, ISK, USSR Academy of Sciences: International Society: Utopia or Real Prospect"]

[Text]

### **On the road to international society**

The general acceleration of the sociopolitical evolution of the world, the increase in the number of subjects of

international relations, the invasion of the political sphere by the scientific-technological revolution, and the expanding spectrum of alternative variants of development make it increasingly apparent that the present system of international relations has in large measure become a brake on mankind's social development: within its framework, it was impossible to resolve a number of global problems that arise in the new world situation.

This is above all the range of problems connected with preventing nuclear war and with the stabilization of international security. These are problems connected with the disruption of the balance in man's relations with nature: the dramatic deterioration of the world ecological situation, the depletion of natural and energy resources, etc. Finally, they are problems of development, including the widening gap between "rich" and "poor" nations, the relative lag of world food production behind population growth, etc.

The threat of increased activity of extremist forces that advance various level of the quasi-solution of these problems is associated with the impossibility of regulating them within the framework of the traditional system of international relations.

The attempt of the "poor" to radically restructure the world system and the attempt of the "rich" to preserve present "law and order" in the world are fraught with uncontrollable upheavals in the entire system of international relations on the one hand and with authoritarian models of the preservation of the status quo on the other.

At the same time, fundamentally new possibilities for resolving these problems are opening up before mankind. They are determined by the qualitatively higher level of internationalization of social processes. Mankind today is in a new state of unity that has formed on the basis of the dramatic intensification of the interdependence of all its elements.

We should obviously discuss modern civilization as a complex of interdependences that requires a systems approach based on the coordinated efforts of all interested countries. What is more, where the latter are concerned, the problems that arise in the international arena become not only foreign political but domestic political problems as well. At the same time, under the conditions of the new level of interdependence, any event that is to any degree significant in the internal life of individual countries is in one way or another reflected in the entire world system.

In our time the very content of the "foreign policy" concept has been expanded to an extraordinary degree. It includes not only the national security problem and economic, currency-finance, and trade problems, as well as aid to other countries, but also the rational utilization of natural resources, environmental protection, the regulation of information flows, and many others.

The modern world is also characterized by a new level of democratization and diversity of political life and world politics itself is becoming an increasingly open system. Its components today are not only states and international organizations, but also various political and social movements, transnational monopolies, etc. Broad public discussion of problems of war and peace also promotes the demystification of nuclear policy. The trend toward the universal development of democracy is leading to the strengthening of society's influence on the state, to the democratization of decision-making processes, and simultaneously stabilizes the international system by making the behavior of its participants more predictable. We should also add to this the all-encompassing character of the scientific-technological revolution and the fundamentally new role of the means of communication and information technology in bringing peoples and countries closer together, and increased contacts between peoples at all levels.

These processes create an objective foundation of the wholeness of the world that originates before our very eyes and that—notwithstanding differences in the elements comprising it—increasingly assumes the character of **international society**. The degree of interpenetration and interdependence already attained is such that it is now insufficient to speak only about the system international relations or the world community. In our view, it is specifically the "international society" concept that reflects most completely the current trends in world development.

What is the fundamental distinction between international society [*obshchestvo*] and the world (or international) community [*soobshchestvo*]? If we consider the end of World War II and the creation of the United Nations Organization as the beginning of the existence of the latter, it has been and continues to be the result of the balance of power policy. Its basic subjects—countries—have built and continue to build their interrelations according to the rules of the "zero sum game" in which the accomplishments and victories of one side are invariably accompanied by concessions and defeats of the other. In the "free" interaction of countries that are independent of one another, the advantage is enjoyed primarily by those that are able to gain one-sided military superiority. This superiority is embodied in tangible political and economic results. The UN, which is called upon to introduce orderliness into this interaction and to regulate it, has not been able to do so primarily because of its limited powers.

The shoots of international society, which became noticeable since the second half of the '70's and early '80's as a result of the world processes and trends characterized above, are appearing where the **balance of interests** is beginning to replace the balance of power. It is indeed true that the interests of the different countries today are just as diverse as they were 30 years ago. But today, at a time when we are increasingly aware of the wholeness and interdependence of the world, there is increasing awareness that (1) all countries have common interests

(the prevention of nuclear war and ecological catastrophe, Third World development, the fight against fatal diseases, against international terrorism, etc.); and that (2) the pluralism of interests may mean not only the multiplicity of antagonisms, but also the diversity of possibilities for the peaceful cohabitation of countries and peoples.

The consideration and coordination of the interests of different countries require a substantially greater degree of controllability of international society than in the past. The question of raising the degree of such controllability has been seriously posed in the pages of our press by prominent political scientist G. Shakhnazarov, requires special attention since it is one of the basic aspects of the international society. While confining ourselves thus far only to the formulation of the problem, we note that in our opinion the key to its resolution lies in the following premise of the author: "The possibility of increasing the controllability of the world to the need experienced by mankind depends on many components, especially on the readiness of all participants in the world community to place mankind's common interests above all other interests."<sup>1</sup>

Incipient international society is depicted as the product of interaction of the subjects of international relations vis-a-vis power (i. e., economic, political, cultural, and other influence), natural resources, raw materials, etc. It is not the simple result of the coexistence of self-sufficing socioeconomic formations (systems with subsystems), but is the integrated unity of heterogeneous elements in which the presence of contradictory but complementary elements is the basic prerequisite to wholeness.

Incidentally, it is not sufficient to characterize the latter only as contradictory. This is specifically cause-and-effect wholeness. It is such because change in one part of the whole also involves change in all its other parts. For example, it is highly probable that the buildup of arms or the more active foreign policy of the representatives of one system will trigger a corresponding reaction by the other. This leads to the escalation of instability. And conversely, restraint and concrete efforts to reduce tensions will ultimately also produce a positive response. If one of the sides shows restraint and the other tries to use it to improve its own positions, the stability of the whole is disrupted and the interaction of the sides once again returns to the escalation of instability. Two variants are possible here: either the recognition of the danger of the further intensification of confrontation from which the return to stability is considerably more difficult than before, or the development of such a level of instability where the situation becomes uncontrollable and nuclear catastrophe becomes inevitable.

If we understand international society as the result of the interaction of the subjects of international relations, we must have a clear understanding of what these subjects represent.

The thesis is frequently advanced that countries are losing their priority role in international relations as a result of the increasing significance of international organizations, transnational corporations, and liberation movements. It appears, however, that this attests not so much to the erosion of the role of sovereign states in the modern world as, to the contrary, to the fact that the state remains the basic subject of international law.

International organizations are indeed founded on the basis of the participation of sovereign states in these organizations and none of them is capable of bypassing the respective governments and entering into direct relations with peoples. As regards transnational corporations, some of them are indeed more powerful and richer than many states and play a larger role in the world as forces that undermine the role of the state. But on the other hand, they only strengthen the base country, thereby raising its role and promoting inequality within the framework of international society.

As regards national and revolutionary movements, they fight against concrete forces within or outside the state and in the event of victory remain within the framework of their own sovereign state, modifying only their internal structures.

So it is that the sovereign state will also obviously remain the basic subject of international society. But just like human society in which people are invariably representatives of different classes and various social groups that interact with one another, states in international society objectively form different **international communities** [*obshchnosti*]. In the first approximation, international society can be viewed as the result of interaction at two levels: the macrolevel—between international communities; and at the microlevel—between states within communities. Interaction between socialist and capitalist communities (West-East) or between communities in developed and developing countries (North-South). Interactions at the microlevel are both within communities and between their participants (West-West, East-East, South-South, North-North) and between individual participants in different communities (West-East, West-South, East-South, South-North). Naturally the number of international communities is not confined to the cited examples. It would definitely be possible to identify a large number of them on the basis of different classifications.

We are not ready today to characterize the interaction between all elements of international society at both levels. This is a basic problem that requires separate study. We limit ourselves to a brief description of two interacting systems—between participants in the capitalist community (West-West) and between capitalist and socialist communities as a whole (West-East).

Modern intercapitalist relations are characterized by the unprecedented intensiveness of their interaction. This is seen most graphically in the economic sphere, in the banking system, and in the system of international

communications and information. No single community (or region) has so many interstate [*mezhsudarstvennyye*] (governmental and nongovernmental) organizations for the reciprocal coordination of interests and for the coordination of political goals.

The high intensiveness of interaction and the creation of an organizational base and institutional structure of relations between highly developed capitalist states, i. e., a system for supporting their common interest—are new phenomena originating in the postwar period. This premise is very important for evaluating potential conflicts between capitalist centers. The danger of such conflicts is diminishing today notwithstanding the possibility of deep structural intercapitalist contradictions as Japan and the European Community seize new spheres of economic and political influence. However, rationally determined common interest will in all probability not lead to the attempt to use radical unilateral measures to resolve such conflicts.

#### **From confrontation to competitive collaboration+**

The East-West macrolevel should evidently proceed from the premise that the coexistence of socialism and capitalism will continue to be one of the basic factors that determine the state and development of international exchange. The existence of objective contradictions between the two systems constantly reproduce and will continue to reproduce situations for conflict, the ceiling of which will be the use of military force. This is all the more true because the historical duration of the coexistence of capitalism and socialism presupposes fluctuations in the correlation of forces between them within quite broad limits. Therefore the problem of creating a new system of interactions between the two communities cannot today be rigidly linked to the correlation of forces between them: it must be resolved on the basis of common interests, compromises, and voluntary unilateral actions that lead to the stabilization of relations and that open up to the other side the possibility of joining them or of going even further, thereby creating the "stability escalation" mechanism.

When we analyze the interaction between capitalism and socialism, we obviously should not ignore two circumstances. In the '70's and '80's, socialist countries encountered a number of serious difficulties: stagnation in the economy, braking of the development of democratic institutions, difficulties in resolving the ethnic question. At the same time, we have noted a certain degree of stabilization of world capitalism connected with successful structural and technological modernization. This situation has objectively led to more intensive foreign policy activity by the leading capitalist countries, which has in particular been reflected in the policy of the USA, Great Britain, France, the Federal Republic of Germany, and Japan in the world arena.

Under these conditions, the positive approach to international relations and the political restraint and realism shown by the Soviet Union on the basis of the new

thinking objectively promote the stabilization of the international system. Change in the political atmosphere in the world, the signing and ratification of the INF Treaty, the top-level Soviet-American dialogue, Soviet initiatives in Europe, the expansion and development of cooperation in such areas as arms control and limitation, technology transfer, joint ventures, environmental protection, etc., are proof of this. All this leads to the relaxation of confrontation. But there are, of course, also opposing factors, the leading role in the elimination of which must belong to change in the functions of political relations: instead of being an instrument of confrontation, they must become a means of regulating confrontation and disagreements arising in different spheres (economic, military, humanitarian, etc.).

Today we see a trend toward overcoming the international political bipolarity of the world. Political pluralism, the different directionality of the interests of states, the possibility of forming political coalitions on specific issues—all this increases the flexibility of the international system and its adaptability to change, and hence promotes its stability. In the more distant future, we can also see increased socioeconomic diversity in the world, the diffusion of different models of socialism and capitalism, and the advent of mixed types of society, which can ultimately also result in overcoming socioeconomic bipolarity.

Also connected with this is the new understanding of the interrelations between socialism and capitalism which demands recognition not only of coexistence but also of the reciprocal influence of the systems on one another. In accordance with the Marxist understanding of the unity and struggle of opposites, it is also possible to speak of the complementarity of the two systems. While principal attention in the past was focused on struggle and confrontation, the time has come today to recognize the existence of a specific unity in the sphere of relations of the two systems. This is connected with the recognition of the fact that an opposing system or an individual state are immanent parts of the world community and are a necessary condition to the self-realization of another system or state. The differences should be viewed as a stimulus to interaction, as a source of something useful.

Strictly speaking, the existence of certain tasks that are common to mankind and to both systems and the need to cooperate in order to realize them (the prevention of nuclear war, stable economic development, environmental protection, raising the living standard of the planet's population) stem from the dialectical nature of interrelations between socialism and capitalism. The systems also compete with one another within the framework of this cooperation over which of them contains the greater potential for the practical realization of the given tasks. It appears that the emphasis in this competition is shifting from quantitative economic growth indicators (oil production, steel production, economic growth rates) to human quality of life indicators. It is specifically in this most important sphere that the question of the superiority of one or another system will be resolved.

In other words, while not speaking of the convergence of the two systems, it is entirely possible to predicate the proximity or similarity of their interests and goals, be it at the global (prevention of nuclear war), regional (prevention of conflicts), or national (improving the well-being of the population) levels. As Soviet researcher A. Nikiforov notes, the policy of peaceful coexistence of the two systems "is not merely the coordination of a number of democratic principles, it is the coordination of all interests of states, ultimately of class interests, but interests between which there is no fatal antagonism whatsoever."<sup>2</sup>

Thus, the gradual transfer of objective contradictions between socialism and capitalism from the confrontation sphere to the competition sphere or, more precisely, to the sphere of competitive cooperation is the most important task in the present stage of development of world policy. If confrontation presupposes the direct antagonistic interaction of the sides, competition can take place in the course of independent parallel actions of the sides in the absence of direct hostile interaction. Confrontation practically excludes the possibility of cooperation except in narrow spheres that are designated for the regulation of the confrontation proper. Competition, to the contrary, permits and even presupposes cooperation in the solution of common problems since each of the sides strives to consider and utilize the experience and accomplishments of the other to the maximum.

The present situation in the sphere of international relations can be likened to a revolutionary situation in the classical sense when all objective prerequisites for restructuring the existing situation have matured and its potential depends on the maturity of the subjective factor. The existence of the new political thinking, not merely as a theoretical conception but as a practical instrument for the radical restructuring of the international system in the direction of humanization and dramatically increased emphasis on the measurement of international relations in human terms, is this factor in the given instance.

#### **Political science and the humanization of international relations**

The implementation of concrete policy on the basis of the new thinking poses new tasks to our political science which is called upon to counterpose a theoretically substantiated and detailed policy of partnership and cooperation of states in the solution of global problems, in the creation of a system of universal security, and in the establishment of civilized relations between all countries. Soviet science's concrete formulation of the general philosophical premises of the new thinking as it applies to international relations becomes one of the factors that promotes fundamental change in the world arena and is an evidence that socialism is specifically called upon to be a pioneer and can become a real pioneer in the humanization of international relations.

Unfortunately, the theory of international relations still lags considerably behind their practice today. Science has too long simply followed policy, commenting on and theoretically substantiating the latter, whereas in principle it should anticipate policy, reflect new phenomena in international life, develop alternatives to political strategy, and react flexibly to the changing situation. Basic research and theorization regarding the patterns of development of international society become an even more important task.

In our view, the basic shortcoming of modern science regarding international relations consists in its absence of measurements in human terms. Research within its framework is essentially in two directions: historical, when the chronology of events is studied, and functionalistic, when political implementation mechanisms are at the center of attention. Within the framework of both of these approaches, primary attention is concentrated on the study of "processes" while people are present only as members of institutions, as passive participants in events.

This is partially the result of the division of the science of international relations into a number of special disciplines. The narrowness of the sphere of research is traditionally viewed by the scientific community as an indicator of a scientist's earnest dedication. However the time comes in the development of every science when it needs the synthesis of analytical findings.

In our view, the objective specialization of science cannot occur in isolation from efforts to develop a system of ethical and moral values, a kind of "moral code" that unifies scientists. In our whole but contradictory world, many scientific problems that only yesterday were special today acquire significance that is fraught with serious consequences for all mankind. Every responsible scientist must therefore be an "ideologue" in the sense that he cannot any longer stand "above politics," cannot concern himself with "pure science," and cannot fail to reflect on the way the results of his labor are used by society.

The so-called interdisciplinary approach, which is theoretically intended to overcome fragmentariness and specialization, in practice frequently boils down to a multitude of disciplines, i. e., to the artificial combination of several sciences that jealously guard their borders from encroachment by their neighbors.

The consequences of militarization and technocracy could not fail to have their impact on the postwar development of the science of international relations. Representatives of the first approach reduce the entire complex of various interactions between the subjects of international society to the correlation of military might, to the balance of power, and see only the military resolution of conflicts. Advocates of the second approach are certain that the development and improvement of technology alone will automatically resolve mankind's problems.

For a long time, political science studied the various levels of international relations and forgot about the most important things upon which society is ultimately based. The reference is to the level of mankind's principal needs: food, fresh air, clean water, housing, and the potential for individual development. Two dangers quite well represented in contemporary political science are connected with obliviousness to the fact. One of them is retrospective thinking that concentrates on the study of the past and forgets the present and the future. The second is futurological thinking when in the theories of its advocates, the present generation becomes hostage to the "happy future" of generations to come.

The described shortcomings can be eliminated within the framework of the new approach, the new **integrated humanistic theory of international relations** that is based on the fundamental principles of the new thinking.

Integrated knowledge presupposes the following characteristics:

- a truly interdisciplinary approach that is not a mechanical agglomeration of different specialties for work on a common problem, but presupposes the development of uniform approaches that would be used by representatives of different sciences as a common research base;
- globalism, where research is based on the recognition of a close relationship between large problems regardless of the part of the world where they occur;
- wholeness, where theoretical research is based on the understanding of the interconnectedness of problems that are traditionally classified among various disciplines and that are examined in isolation from one another;
- the demilitarization of thinking, which presupposes the advancement of nonmilitary political elements to the forefront, the rejection of the evaluation of the interaction of the subjects of international relations only through the prism of military might, and the rejection of the realization of their scientific and technical potential chiefly in the confrontation of arsenals of weapons.

The humanization of political knowledge advances man and his basic needs to first place. First, at the same time, unlike the traditional orientation toward the advantage of a given state where the people are concerned, the center of gravity shifts to the study of the possibility of improving the plight of all people regardless of their country or region. Second, decisions are based not on the maximization of national might or economic advantage, but on the satisfaction of human needs. This does not mean that the first two goals must be altogether excluded. But on the scale of basic values, they must occupy a place that is lower than the realization of human interest. Third, unlike the emphasis on sovereignty over a separate part of a region and the securing of advantages for this part, the uppermost consideration of

the system of values must be to preserve the planet as a whole and its natural resources for all people.

One of the principal tasks of the theory of international relations today is to reformulate the "national interest" concept. National interest is essentially nothing more nor less than the aggregate of goals and strategies for attaining them which stems from the fundamental values underlying their existence and the activity (including foreign political activity) of states. On the basis of this definition, national interest in fact arises as a hierarchy of values organized in a certain way. The perception of the national interest by various states depends on the kind of values that are included in this hierarchy and the way they are organized. The traditional perception of the national interest is based on the striving for military security and economic prosperity based on sovereign control over a certain region and population. The growth of military power and access to natural resources were considered to be the principal means of realizing these values.

Such fundamental values as peace coupled with the radical reduction of national military arsenals; economic security for all earth dwellers; the universal realization of human rights and social justice; and the maintenance of ecological balance should be advanced as the basis of state foreign policy and the reformulation of national interest in accordance with mankind's common interests.

#### The new thinking: from theory to practice

Maximum openness and sincerity of foreign policy, i. e., giving all interested parties the possibility of checking actual practice against proclaimed slogans, are important as never before for the realization of the new principles in practice. As V. I. Lenin wrote, "sincerity in politics, that is, in that sphere of human relations which involves, not individuals, but the *millions*, is a *correspondence between word and deed* that lends itself to verification."<sup>3</sup>

The experience of history shows that the attempt to pursue a "closed" foreign policy, to artificially fence off its population from the surrounding world, is typical of countries and societies that are going through periods of crisis in their development, that have a national inferiority complex, and that fear their ideology's confrontation with real life. Socialism, as the most progressive social system, can only benefit from a maximally open foreign policy. It must assimilate internationalistic, globalistic ideas that it frequently shunned in the past. What is more, in the event internal reforms in the socialist system are successful, one of the tasks of the foreign political activity of socialist countries in the near future may be to prevent the capitalist system from becoming "closed in" on itself, to prevent the West from lowering an "iron curtain."

As the agent of the new thinking, the Soviet Union expresses the interests of the majority of mankind: our class interests coincide entirely with the priority interests

of all people on the planet today. The contradiction that inevitably developed between general human, national, and class interests during those periods when the USSR was forced to follow the logic of traditional political thinking is thereby eliminated. The dialectical unity between strategy and tactics, between form and content, and between the goals and means of Soviet foreign policy is restored.

Perestroika and the humanization of international society advances to the forefront a new watershed in world politics: between advocates of traditional thinking and adherents of the new thinking. This watershed is unique in that it is not only and not so much between individual countries as within them since each country has advocates of both the old and the new thinking to one degree or another. Human thought is prone to "lag" behind the rapidly changing reality of the world. Therefore the most important task of political science today is to develop a mechanism of opposition to those who try to artificially increase, institutionalize, and reinforce this lag to please the interests of certain social and political forces.

In principle, socialist society does not and cannot have objective reasons for increasing the disparity between thinking and reality and does not have classes, cliques, and organizations that are intrinsically interested in the perpetuation of traditional political thought. However, the historical experience of many years and political traditions influence the thinking of millions of people. But we are living in a period of social development when conventional ideas quickly give way to new ones, when it becomes necessary to make more frequent corrections in the indicated tasks and in political strategy and tactics on the basis of change in the concrete historical situation. The modern age is the age of accelerating change in the world. It is an age filled with historical developments. The replacement of paradigms that determine our political strategy and tactics has become the urgent demand of today.

#### Footnotes

1. PRAVDA, 15 January 1988.
2. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 12, 1987, p 10.
3. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Collected Works], Vol 32, p 259.

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"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1989

## French Discussions of Common European Market

18160013 Moscow *MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA* in Russian  
No 6, Jun 89 pp 93-98

[Article by I. Yegorov: "Around the Common European Market (Based on Materials of Discussions in France)"]

[Text] The Single European Act signed by EC [European Community] countries in 1986 envisages the completion of the creation of the common internal market by the end of 1992. It must include the free movement of goods, people, services, and capital within the framework of the EC. As the deadline draws near, there is more and more heated debate on practically all aspects of West European integration in the Community's countries, including the possibility of reaching the objective in the time that remains. Various segments of the public are actively participating in these debates which gives them an increasingly political and ideological character. Public opinion polls indicate that approximately three-fourths of the Community's population supports efforts to increase integration.<sup>1</sup>

The debates regarding the common [*yedinyy*] perform two important, closely interconnected functions—theoretical-practical and social-psychological. The former consists in interpreting the further process of West European integration, in the formulation of practical proposals on appropriate compromise solutions at national and collective levels. The latter consists in discussing the interests and positions of various social strata and groups and thus in the creation of a social and political climate that promotes the new stage of integration.

### I

Advocates of increased integration believe that only a unified Europe of Twelve can preserve itself as an independent pole of economic and political development, can alleviate the most acute social problems—above all, unemployment, and at the same time show the world a model of international cooperation, of the elimination of national-state limitations and at the same time the attainment of new facets of European civilization.

"Our European countries," writes J. Delors, chairman of the Commission of the European Community, "are participating in a world race in which the stakes are our economic survival and ultimately our ability to express our will and to act politically."<sup>2</sup> In the opinion of Lord Cookfield, former vice-president of the Commission of the European Community; and de Clair, foreign affairs commissioner of the Commission of the European Community, "the European Community is going through the largest silent revolution since its creation. It will require immense efforts on the part of Community member nations and will result in raising the role of the EC as the first powerful commercial grouping in the world."<sup>3</sup>

Such statements pursue the very obvious goal of mobilizing political circles and the population of the Community's countries for the realization of the ideas of the Common Market. The process of forming this market has already gone quite far. F. Moreau Defarge emphasizes this fact and notes: "Between 1958 and 1987, trade between the six nations that founded the Community (France, Federal Republic of Germany, Italy, and Benelux) increased from \$10 billion to almost \$280 billion (in current prices). At least half of the foreign trade of each of the 12 countries is with EC partners...Regardless of whether barriers are eliminated between member nations in 1992 or not, the key industrial branches have already begun "major maneuvers" resulting from the upheavals of the '70's (currency fluctuations, oil shock, dramatic technological modernization)."<sup>4</sup>

This assessment is also confirmed by the data of the Commission of the Economic Community: in 1980-1986 there was deep structural restructuring [*strukturnaya perestroyka*] in the majority of industrial sectors, new technologies became widespread in all branches of industry and the service sphere, and reciprocal trade of EC countries in manufactured goods more than doubled.

The acceleration of the structural restructuring of the world economy between the mid-'70's and '80's was instrumental in strengthening trade and economic relations in Western Europe. According to the calculations of economist Colette Herzog, in 1986 per capita imports in West European countries<sup>5</sup> totaled \$1854; in the USA—\$1283; in Japan—\$772 (in 1985 prices). However if reciprocal trade among West European countries is excluded, per capita imports are lowered to \$607 in 1974 and \$507 in 1986.<sup>6</sup> All this attests to a significant increase in the share of reciprocal trade among West European countries in their foreign trade relations.

The deterioration of the economic and social situation in EC countries has become another consequence of these processes. This has been reflected in the sluggishness of the investment process, in the lowering of growth rates, in increased technological lag behind the USA and Japan, but especially in the dramatic increase in unemployment (see Table 1).

Table 1  
Unemployment Level in Certain OECD Countries  
(in of the gainfully employed population)

	1978	1980	1983	1985	1987
FRG	3.5	3.0	8.0	7.2	6.5
France	5.2	6.3	8.3	10.2	10.6
Italy	7.1	7.5	9.0	9.4	11.0
Great Britain	5.9	6.4	12.5	11.2	10.3
USA	6.0	7.0	9.5	7.1	6.1
Japan	2.2	2.0	2.6	2.6	2.8

Source: "Annuaire statistique de la France. 1988," Paris, 1988, p 96.



The data in Table 1 confirm what J. Delors called the "European scandal of underemployment" (the highest level of unemployment was among industrially developed countries—EC countries). According to the data cited by him, between 1973 and 1984 the number of jobs in the European "ten" declined from 108 million to 106 million while the able-bodied population increased by 19 million persons. In the opinion of J. Delors, the "European growth initiative," i. e., the implementation of measures to establish a common market, will help to put an end to this "scandal."

The Community's countries proved to be less dynamic than the USA and Japan in such fast-growing, science-intensive branches as electronics, computerized information processing, and data processing equipment. In 1983 the share of science-intensive sectors in the output of the manufacturing industry averaged 11.9 percent in the 12 EC countries (12.7 percent in France) compared with 16.6 percent in the USA and 16.2 percent in Japan. Only in 2 major branches out of 11—chemistry and machine building—does the Community retain its strong positions.

As regards French industry, its share in world industrial exports has declined—primarily as a result of its relatively low degree of specialization—from 8 percent in 1979 to 6.7 percent in 1986.<sup>7</sup> Its trade deficit in manufacturing industry products in 1988 was 66 billion francs.<sup>8</sup> This deficit is primarily a reflection of the weakness of its positions within the Community, especially vis-a-vis the Federal Republic of Germany. France's negative trade balance with that country has been rising since the early '70's. The degree to which imports from the FRG have been offset by French exports has declined from 0.81 in 1970-1974 to 0.62 in 1981-1985.<sup>9</sup>

The low competitiveness of French industry combined with high unemployment confronts France with complex socioeconomic problems. In the opinion of advocates of increased integration, the answer to these problems can be found by creating a common market that must substantially intensify all economic and social development processes in the Community and in France in particular.

According to the report prepared for the Commission of the European Community by P. Ceccini, the elimination of all manner of internal boundaries and obstacles to the free movement of people, goods, services, and capital; increased internal competition; the reorganization of the structure of industry; the more complete utilization of existing capacities; and the coordination of national economic policies will make it possible for EC countries to economize more than 200 ECU's [European Currency Units] (5.3 percent of the aggregate GNP), to reduce consumer goods prices by 4.5-6.1 percent, to raise growth rates by 4.5-7 percent a year; and to create 1.8-5.7 million new jobs.<sup>10</sup>

How realistic are the forecasts of report compilers (and almost 300 specialists participated in its preparation)? The immense volume of work performed, polls of 11,000 enterprises, a detailed study of specific national and branch situations, and comparison of calculation methods

and the results attest to the high quality of the research. Therefore the discussions question not so much the quantitative evaluations of the report as its basic premises.

In particular, the coordination of policy in the area of taxation, in currency-finance and social spheres is an important, even necessary prerequisite to the dynamization of the integration process. At the same time, as Professor P. Malle emphasized in his address at the International Congress of Francophone Economists (May-June 1988), the positions of individual countries on many issues differ substantially thereby seriously complicating the total execution of Project 1992 on schedule. He also believes that some of the projected steps are insufficient and that the real creation of the internal market requires a much broader complex of measures.

Proposals of the Commission of the Economic Community to bring value-added tax [VAT] rates in the Community's countries closer together and to alter the VAT mechanism have encountered serious objections of many French specialists and representatives of the business community.<sup>11</sup> France charges three different VAT rates: low—5.5 percent; middle—18.6 percent; high—28 percent. VAT revenues are a major item of state budget revenues (43.6 percent in 1987). The Commission of the Economic Community proposes preserving two levels of the tax (low—4-9 percent and middle—14-20 percent), leaving the fixing of the specific rates within the limits to the discretion of each country. It also proposes levying the tax not in the country where the good is purchased, as is presently the practice, but rather in the place where it is produced, with subsequent compensatory payments between nations.

In the opinion of specialists, major difficulties also exist in the currency-finance sphere because it is impossible to combine the stability of currency exchange rates, the free movement of capital, and the independence of national currency policy. Since the first two components of this "triangle" are extremely important for the intensification of West European integration, the question naturally arises as to the loss of national independence to one degree or another in the area of currency policy, the strengthening of the European currency system, the movement in the direction of a single EC currency, and the creation of the Central European Bank. Given the major differences in the economic situation of individual countries, it is extremely difficult to solve all these questions.

## II

Disputes surrounding the Common Market are not limited to purely economic questions and encompass virtually the entire spectrum of social relations. Analysis of the discussions suggests that the principal difficulty in strengthening West European integration lies in balancing all other aspects—social, political, cultural—of the given process. This essentially means observing the "law of reciprocal correspondence" of various aspects of social development.

The establishment of the common market first of all calls into question national regulatory systems, including the interaction of social movements with state institutions in the struggle to satisfy various social demands.

Another unique feature of the present situation is that the deepening of West European integration (and thereby the strengthening of the legislative and executive role of supranational institutions and the coordination of national policies) is taking place in an atmosphere of economic liberalization and the restriction of the redistributive and entrepreneurial functions of states. At the same time, important regulatory functions are transferred from national states to the "center"—to EC supranational bodies.

However, there are many who believe that supranational bodies with their unwieldy bureaucratic apparatus are not yet ready to perform such functions. These bodies are of a technocratic nature and are not qualified to address sociopolitical questions. Therefore, it is not by chance that the governments of countries belonging to the Community, as noted by J. Delors in a speech to the European Parliament (January 1969), emphasize their national problems to the detriment of European (i. e., EC) problems, and the greatest differences between governments, trade unions, and their patronage [*patronat*] concern taxation and social aspects.<sup>12</sup>

The real decision-making mechanisms in the existing situation in the EC tend to favor the interests of the financial and industrial community. A statement by E. Pisani, a socialist and former French minister, is characteristic. He noted that politicians have entrusted the creation of Europe to Economic forces, but that the process is not only economic, but also political and cultural. If these factors are not taken into account, foreign TNC's will draw more advantages from the Common Market than European corporations. In his opinion, all this will favor the economic conquest of Europe by external forces.<sup>13</sup>

E. Pisani emphasized the paradoxical nature of the situation: liberals tend to be internationalists, while socialists and Social Democrats tend to advocate national state organization [*gosudarstvennost*]. However this situation only appears to be paradoxical since the real power mechanisms in the EC are entirely responsive to the views of the neoliberals, whereas practically the entire complex of problems of socioeconomic and sociopolitical regulation remains in the "care of" national states.

It is therefore not by chance that on 13 June 1988 the Community's finance ministers reached the decision to introduce the free movement of capital as of July 1990—one and one-half years before the Single European Act took effect. This decision sharply intensified discussions, especially among the left-wing community, while their center shifted to the sociopolitical area.

Thus, when socialist D. Mochan addressed a symposium "1993 or 1990? The Europe of Financiers Against the Europe of Citizens" (January 1989) organized by the journal *LE MONDE POLITIQUE*, he proclaimed this decision to be the "greatest imaginable victory of economic liberalism in Europe." He considers the problem to be the gradual reduction of possible differences between the Community's countries, the reduction of the independence of their currency beforehand, and the degree of tax maneuvering and hence budget maneuvering. C. Cheysson, former French minister of external affairs, believes it is now necessary as never before to build a "political Europe" to withstand a "Europe of enterprises and capital."<sup>14</sup>

The discussion materials as a whole create the impression that the "social European measurement" that F. Mitterand started talking about back in 1981 still has not come to pass in actuality, while the consolidation of forces capable of securing its realization (trade union organizations, mass democratic movements, left-wing parties) is still in the initial stage. What is more, many representatives of the left-wing forces preserve what we consider to be an illusion that all it takes to solve social problems is to create one more body in the supranational structure of the EC and to adopt the corresponding legislative acts without developing the broad interaction of democratic movements within the framework of the Community.

At the same time, the threat to the economic and social attainments of the French working people is entirely real for a number of reasons. Among them: the high level of unemployment, the relatively low degree of competitiveness of French industry, and the weakness of the trade union movement. Thus, according to one international researcher, as a result of the deterioration of the balance of trade and the growth of the gainfully employed population, unemployment in France can grow to 12 percent.<sup>15</sup> The level of wages in France also remains relatively lower compared with other EC countries (see Table 2).

Table 2  
Purchasing Power Index of the Average Wage in EC Countries (average level for 8 countries = 100)

	Denmark	Luxembourg	FRG	Netherlands	Belgium	France	Italy	Ireland
1978	119	129	104	115	104	84	87	68
1986	111	107	106	117	95	82	90	70

Source: "Les structures de salaires dans la Communauté économique européenne. Documents du CERC," No 91, 1988, p 38.

All that has been said makes it possible to understand why the approach of 1993 evokes contradictory French public reaction. According to a poll conducted in February 1989, only 30 percent of all Frenchmen favor the acceleration of European construction (43 percent in March 1984). Sixty-four percent of those polled (compared with 50 percent in 1984) put the defense of France's interests within the framework of the Community in first place. Fifty-eight percent of all Frenchmen are concerned over the future prospect that the creation of the common market will aggravate the country's economic difficulties.<sup>16</sup>

The creation of the Common Market, as noted, for example, by M. Katin, one of the compilers of the previously mentioned report presented by P. Ceccini, will carry with it a number of dangers "if it is not accompanied by a definite trade policy toward the rest of the world and by increased economic coordination"<sup>17</sup>; a decline in the number of jobs; the redistribution of capital at the social, sectoral, and regional level, and hence the intensification of disproportions within the framework of the Community; the growing penetration of the internal market by foreign goods; and the acceleration of deindustrialization.

Under these conditions, an important role in the protection of the interests of the working people can be played by the trade unions, as was shown in particular by the strikes in France in the autumn of 1988. However, the trade unions have not as yet developed the mechanism for joint actions at the supranational level.

Many trade union figures have spoken out in the course of the discussions for the formulation of a joint strategy of West European trade unions with regard to their historical, cultural, and national differences and for the creation of the "European trade union space." At the same time, they emphasize the importance of strengthening the legal base of West European syndicalism.

As socialist Jean Bess, a member of the European Parliament, noted at a symposium organized by LE MONDE DIPLOMATIQUE, the existing "social vacuum" in EC documents must be filled. This requires a more intensive effort to develop the Charter of Basic Social Rights and a number of conventions and directives and making provision for new measures in particular to ensure public disclosure of the regrouping of companies and to establish a minimum wage for major zones.

Since 1988 left-wing journals in countries belonging to the Community have conducted regular meetings and symposia on the socioeconomic, political, and international problems of West European integration. As noted at the last meeting organized by the journal CAHIERS MARXISTE on 10-11 March 1989 in Brussels, left-wing forces in EC countries have been remiss in analyzing contemporary integration processes and are only beginning to perceive the necessity of coordinating the strategic line in the area of European construction and methods of joint actions.

On the whole, active discussions of late attest to the fact that democratic circles in countries belonging to the Community are seriously concerned with the organization of a "social European space" that will help to create counterweights for the long-standing construction of a "Europe of capital" that is an integral part of the world process of capitalist reproduction.

### III

West European integration in French society is also focusing attention on common international questions. So-called "Francocentrism," which many researchers consider a specific feature of French social psychology, is gradually retreating, and the understanding of the close interrelationship of the national, regional, and world aspects of development, is being disseminated. Characteristically, in the year of the 200th anniversary of the Great French Bourgeois Revolution, many researchers and publicists, considering it to be the most important landmark in the formation of the modern world, include general humanistic and democratic ideals as part of its legacy.

The discussions also raise in particular such problems as disarmament and security, the Community's place in the economic and geopolitical structure of the world, its relations with the USA, Japan, the USSR, member nations of the CEMA, and with the developing world. Broader questions are also occasionally posed: on the role and evolution of European civilization, on the new type of social development, on the unity of the world and the diversity of avenues of human development. Each of them unquestionably merits special study.

One of the most important topics is the interaction of West European integration and Soviet perestroika. A little over a year ago, perestroika was regarded as more of a complex "intrigue" with indeterminate content. For all its complexity and unevenness (about which Western society is rather well informed) today, it has not only provided an impetus to reexamine many stable, dogmatic views from both sides, but has also become the object of concrete analysis with respect to its practical consequences for Europe and the world.

Of course by no means everyone regards perestroika as a chance, as an opportunity to raise international relations to a new, more secure, more humanistic, and more just level in a socioeconomic sense. Nor does everyone by any means accept the idea of the "common European home." There are those who consider it to be a dirty trick, a manifestation of the secret desire of the USSR to destroy Atlantic solidarity and to subdue "tiny, defenseless" Western Europe. Advocates of this point of view, simplifying the concept of the "common home" to the extreme, usually operate with arguments from the old arsenal of the power mentality and mutual mistrust.

Nevertheless, the recognition of the significance of perestroika has already become an important element in the public consciousness. It is considered to be the most important event in the world at the end of the 20th

century. "It would be a provincialism to ignore what is happening in the USSR today" declared, for example, Colette Audrey, chairman of the Socialist Research Institute, at the International Symposium "Political Dynamics of the Left in European Social Space" (Paris, December 1988).

The perestroika-generated exchange of ideas between East and West has considerably preceded the development of economic relations. While this is in itself easily explainable, nevertheless the gap between the interrelationships of the two sides contains the potential danger of weakening the international effect of perestroika.

How does the EC evaluate the difficulties and the prospects for the development of economic relations with CEMA countries in the light of the current perestroika? Our correspondent asked Jacques Delors, chairman of the Commission of the European Community, this question. Here is his opinion. "The very fact of the mutual recognition of the two organizations is an important event. As is known, we have positively received the CEMA secretary's proposal to resume negotiations on this question because we have evaluated it as a political gesture from the CEMA that is in the same direction as the evolution of East-West relations.

The only condition that I made was that bilateral relations be concluded with each CEMA member nation, and this condition was accepted. I think that most of the trade and collaboration will be specifically at the bilateral level, considering the different degrees of integration in the two organizations.

We have gone farther in this area than the CEMA. We are not only eliminating barriers to the free movement of people, goods, services, and capital, but we are also adopting a common policy in the area of scientific research, currency, regional development, etc. But as long as the CEMA remains the way it is, the potential for multilateral collaboration will be small. This means that bilateral collaboration must be developed with every country. Strictly speaking, we relate in exactly the same way with member nations of the European Free Trade Association: Sweden, Norway, Austria, Switzerland, Finland, and Iceland. We have bilateral agreements with them, but at the same time—as we are developing—we are also moving forward with respect to relations between the two organizations.

Thus, a political step has been taken in our relations with CEMA. Good will has been demonstrated by political leaders on both sides. But our structures are dissimilar. In particular, our side demands adaptation to the system with a state trade monopoly. Excessive centralization of foreign trade in CEMA countries is an obstacle to us. If the Soviet economy evolves in the direction that M. Gorbachev is talking about, i. e., in the direction of a lesser degree of centralization of foreign trade, that will facilitate reciprocal exchange and collaboration.

From the EC side, COCOM is a brake on the development of interrelations. There are no other specific obstacles. But as regards the usual difficulties that arise in relations with other groups of countries and that are connected with differences in interests, competition, and complementarity, acceptable compromises can always be reached if there is good will."

#### Footnotes

1. EURO-BAROMETRE, June 1988, p XV.
  2. "Le defi. Nouvelles donnees economiques de l'Europe sans frontieres," Paris, 1988, p 11.
  3. INFORMATION. Commission des Communautés Europeennes, Brussels, 19 October 1988.
  4. POLITIQUE ETRANGERE, No 1, 1988, pp 173-174.
  5. The calculations include 19 countries in Western Europe: 12 EC countries, Switzerland, Austria, Sweden, Finland, Norway, Iceland, Malta, as well as Yugoslavia, Turkey, Israel, and Cyprus.
  6. ECONOMIE PROSPECTIVE INTERNATIONALE, No 33, 1988, pp 81-81.
  7. ECONOMIE ET STATISTIQUE, January-February 1989, p 8, 37.
  8. LE MONDE, 14 March 1989.
  9. ECONOMIE ET STATISTIQUE, January-February 1989, p 77.
  10. "1992. Le defi," pp 185-187, 217.
  11. See, for example, J.-M. Charpin, L'harmonisation des TVA europeennes ("Economie prospective internationale," No 33, 1988, pp 49-59); P. de Freminet, "L'Europe se trompe de reforme fiscale" (LE MONDE, 21 December 1988).
  12. "Parlement europeen. Le point de la session," Strasbourg, 16- 20 January 1989, p 20.
  13. See "La voix du Nord," 31 May 1988.
  14. LE MONDE, 8-9 January 1989.
  15. LE NOUVEL OBSERVATEUR, 5-11 January 1989, p 11.
  16. LE MONDE, 3 March 1989.
  17. ECONOMIE PROSPECTIVE INTERNATIONALE, No 33, 1988, p 5.
- COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1989.

## 'Democratization' Roundtable Views West Europe

### Editorial Introduction

18160012e Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 p 99

[Article: "The Democratic Alternative: Problems of Democratization of Modern Society"]

[Text] We are continuing the publication of statements (begun in the preceding issue) by participants in an international roundtable sponsored by the journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA. In the present issue, the reader's attention is called to pronouncements by H. Jung, director of the Institute of Marxist Research (Federal Republic of Germany); E. Mange, bureau member, Belgian Socialist Party (Flemish) and director of the Vandervelde Institute; and P. Havas, department head at the Social Science Institute of the Hungarian Socialist Workers' Party Central Committee.

### FRG Politics

18160012e Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 pp 99-104

[Article by H. Jung]

[Text] Contrary to recent forecasts, the neoconservative model of politics and hegemony has demonstrated its relative stability. This is evidently connected with deep-seated changes that are taking place in modern capitalism and with the corresponding ideological and political reorientation of monopolistic and financial capital.

Thus, unlike the preceding period, the point at issue is not only the change of the political and ideological course, but also the transition to a **new variant of development of state-monopoly capital**. Change in the principal trends in the development of capitalism has become the consequence of the world economic crisis that began in the mid-seventies. First, the existing level and the dynamics of the internationalization process demanded the reexamination of the strategy for surmounting the crisis within the framework of capitalism. Second, the scientific-technological revolution laid the foundation for the intensification of technological competition which in turn became the lever for the accelerated restructuring of the production base and the internal structure of companies. As a result, monopoly capital has developed new interests that have made it necessary and possible to reform the existing system of state-monopoly capitalism. The development of this trend has varied from one country to another and its manifestation has depended on national particulars. In the Federal Republic of Germany, it originated during the social-liberal government coalition and became stronger after the conservatives came to power.

The new strategy of capitalist development proclaims the need for internal modernization of society with the aim of ensuring the competitiveness of national concerns and big banks in the world market. This is in line with the supply policy and the concept of social and economic deregulation. The latter is directed against the existing systems and structures of social policy and against the production and trade union structures of the counterpower of the working class. Privatization, flexibilization, and individualization are the leading directions of this strategy which is oriented toward the interests of private monopolies.

### Factors limiting the neoconservative path of development

The resistance of trade unions, of new social and democratic movements and left-wing forces in the political sphere, which compels the conservatives to maneuver, should be named first among these factors.

The place of trade unions is the source of constant discord in business circles. To a certain degree, the point at issue is the level and specific content of social partnership relations and the role of trade unions in them since hopes for the collapse of labor organizations have proven unrealistic. This has also led to corresponding differentiation in the trade union camp. In view of the growing significance of the subjective factor in production under the conditions of the scientific-technological revolution, social partnership relations have not lost their value to capital in the least even today.

Second, the priority of maintaining the competitiveness and profitability of individual monopolies leads to the ignoring of structural problems. This concerns the production and social infrastructure in particular. The necessary macroeconomic and social proportions can no longer be created spontaneously today. It is for this reason that the need for state intervention is continuously arising in the business community. The same can also be said in regard to ecological problems: the administrative and economic activity of the state is irreplaceable in their resolution.

Third, the conservative bloc is a combination of heterogeneous elements, contradictions between which may be manifested primarily in the sphere of social policy. The intensification of contradictions in this and other areas leads to the weakening of the political and ideological hegemony of the conservatives, which finds expression in the narrowing of the conservative bloc's election base. How far this process goes and how fast it develops depend not least of all on the mobilization capacity of democratic and reform-oriented alternatives.

The discussion of alternatives among left-wing and democratic forces in both the trade union and political sphere in the Federal Republic of Germany is characterized by the intertwining of questions relating to the internal development of society with the search for avenues to the resolution of global problems. At the same time, the **reform orientation** is of the utmost importance

to everyone, including Marxists and communists, who as is known do not enjoy great influence in the Federal Republic of Germany.

It should be noted that the left-wing and democratic camp unanimously agrees that reform policy today cannot begin where Social Democratic policy failed in the '70's. However there are differing views on whether the Keynesian model is entirely obsolete given the existing level of internationalization and the present level of the scientific-technological revolution or on the existing correlation of political and social forces.

This question evolves into another question in view of the creation of the European Community's joint internal market: is economic and social policy based on national interests and reproductive relations in general possible and, if so, to what degree?

In this regard, it is important that communists and Marxists analyze the reasons behind the failure of the economic strategy of the left-wing government in France in the early '80's because as we know it incorporated elements with an antimonopolistic orientation. However, this platform demonstrated its impracticability and its inability to mobilize its supporters. The same situation was repeated in other countries.

It is my understanding that participants in the discussion in the ranks of the left-wing and democratic forces agree on the necessity of concentrating efforts on the restructuring of the West German economy and society in accordance with the need to **protect the environment, resolve social problems, and strengthen peace**. Both the objective hierarchy of problems and the altered structure of the working people's needs must be given equal consideration in this restructuring process. There is also agreement that such restructuring is impossible without the strengthening of the state's regulatory and controlling activity. There are differences of opinion on several questions: in what direction should this activity be expanded and how far should it go? Should the organization of hired labor continue to be at the center of reform policy in the future (the answer to this question depends to a great degree on the evaluation of the role of trade unions in this process)? Should reformist policy be considered as a continuation of the social partnership or as the development of a counterforce, as a creative force of democratic movements and trade unions?

The question of the reformist alternative is also a central point in the discussion of strategy among Marxists and communists in the Federal Republic of Germany today. There are differences concerning the character and scale of the democratic reformist alternative. The view of such an alternative as a kind of continuation of the demands of the Marxist and communist program is opposed by another view—which I share—that accentuates the independent value of the reformist alternative in the attainment of social and democratic progress.

Internal and international problems of the transitional period and the unequivocal recognition of the fact that

an alternative—open to reform and oriented toward the strengthening of peace—to the private monopolistic conservative variant of development is possible within the framework of capitalism today. This means another variant of development of contemporary capitalism, the potential of which may make itself known with the transition to reformist-etatist policy in connection with the return of the Social Democrats to power. Even though these directions of reform strategy are not identical, one can become the prerequisite for the other.

The various directions and variants of reform policy differ not only in terms of type of political-ideological hegemony and dominance, but also with respect to its impact on social and political regulation, class relations, and the dominant type of socialization. Thus, the point at issue is not only change in the correlation of social and political forces, but also structural changes in production relations and in both the social and political system. New conditions are thus created for the realization of capitalist property, but capitalist property itself is not basically called into question.

The solution of global problems is an integral part of the contemporary democratic and reformist alternative. Of course, their solution also has independent significance since steps toward disarmament cannot be made dependent on the realization of the reformist alternative. However the reformist alternative is unquestionably impossible without extensive disarmament. On the other hand, it creates the most favorable internal conditions for disarmament. What has been said above is also true of ecological problems and the ecological restructuring of production.

Alternatives in **economic and social policy** are unquestionably pivotal in reform strategy. They are formulated on the basis of the needs of national reproduction and the potential for its regulation naturally with due regard to increased internationalization, the need for the democratization of the international economic system, and the need to make a positive contribution to the solution of global problems. This will become possible only when conservative, private monopolistic modernization dictated by the needs of the world market comes to an end and when it is replaced by **modernization oriented toward internal and social needs**. Such reorientation presupposes the establishment of public control over the sphere of foreign economic relations. Otherwise such an alternative will be unthinkable or will be realizable only in extremely limited form.

The struggle against mass unemployment, regional crises, old and new poverty, for a new educational and vocational training system, for the conversion of the military industry, and for the ecological restructuring of production occupies a central place in alternative programs of economic and social policy.

What are the **carriers and subjects of the reformist alternative**? To our way of thinking, they are above all

the political and trade union labor movement, democratic, and new social movements. However, it should be considered that coalitions to support reforms are formed at different levels, on different scales, and with the participation of different political and social forces.

Disarmament and the conversion of military production are impossible without the reorientation of the main forces of the dominant class. Ecological restructuring is without a doubt one of the common long-range interests of monopolistic capital since the very foundations for producing profits are undermined without it. It nevertheless clashes with the short-term interests of influential monopolistic groups and state-monopoly complexes. Common interests can therefore be realized only by altering the correlation of forces by infringing private capitalist interests with the aid of the state's political regulatory system.

In a word, interclass groupings of interests can be mobilized to resolve existing problems. While this does not negate the significance of the class struggle in its Marxist interpretation, it will take a certain amount of time to determine its new scale and content.

The **top priority** of a Marxism-based reformist alternative is to promote the establishment of a broad reform-supporting bloc capable of changing the correlation of political forces and the political climate in such a way that will force conservatives to leave the government and that will lay the foundation for a new direction in the development of society.

#### **Restructuring and the struggle for democracy in Western Europe**

The advancement of the task of democratizing socialist society may generate consequences with long-term consequences that will have historical significance. These processes can be differentiated already in the initial stage of their development.<sup>20</sup> The new coalition of forces favoring social and democratic progress in the world arena is their embodiment. The **unification of the forces of international progress**, the activity of which will unquestionably be connected with the realization of world order, can presently be attained on a broader basis than ever before in modern history.

The reference is not to the convergence of opposing socioeconomic systems, but is rather to parallelism in the formulation of questions under different social conditions. If one proceeds from the premise that socialism is able to eliminate deformations and stagnation and that their elimination is only possible as a result of internal development, through the democratization of all spheres of life of socialist society in depth, this can become a stimulus for the development of capitalist countries. By virtue of socialism's basic structures and principles of development, it knows no zones that are closed to democratization, does not need to create such zones, and is able to penetrate these zones.

Unless existing alienation phenomena are overcome, which is inconceivable without democratization, it will be impossible to liberate the potential of the subjective factor of production and to develop society under the conditions of the scientific-technological revolution. At the same time, we should realistically assess the possibility of new alienation phenomena associated with the development of commodity-monetary relations, with economic methods in the regulation of the economy, with the development of the socialist law-governed state, and with the apparatus that naturally originates here and strives for separateness. Glasnost, social democratic oversight, etc., are the only guarantee of overcoming these phenomena.

Even though the socialization process is mediated by political and socioeconomic relations, it is basically determined by the development of the productive forces, by its trends and patterns. Therefore, under the conditions of development of different socioeconomic and political systems **with approximately the same level of productive forces, the prerequisites arise for posing similar questions.** Under the conditions of developed capitalism, problems of democratic and social progress, that socialist society alone was expected to solve 50 or 70 years ago and that were connected with radical change in property and power relations, are placed on the agenda today.

Lenin was entirely right when he identified as a characteristic feature of imperialism the tendency of monopolies toward reaction that was contrasted with the developing needs of the broad masses of working people for democracy. In the past, Marxists paid little attention to manifestations of historical progress in the evolution of the class dominance in a class society. From this point of view, democratic relations—even in forms limited by the existence of capitalist property—are the result of broad mass struggle and are the expression of historical progress. The necessity of protecting these democratic forms against the threat of reaction was recognized in the period of struggle against fascism. Only today, however, are Marxists beginning to realize fully the significance of democratic institutions to the implementation of practical measures for emancipating the working people and for establishing social oversight under the conditions of modern capitalism.

The **space for political action** has been expanded with the evolution of modern capitalism. Democracy was previously limited to the state's political superstructure. The result of the development of the economy, the productive forces, science and technology, social relations, etc., is that these spheres have already become a space that has been "conquered" by policy. And we feel today how science, technology, and the productive forces have become a unified whole. This is true not only from the standpoint of internal development but also on an international scale, as is evidenced by the intensification of global problems.

The creation of a **new type of democracy and democratization** is thus placed on the agenda within the framework of the reformist alternative. The question today is not whether this sphere is amenable to political regulation, but rather which form of regulation is realizable.

Regulation in many of these spheres is effected through uncontrolled, interwoven state-monopoly structures which, if conservative, are dominated by the interests of private monopolies. Moreover, some branches are subordinate to bureaucratic-etatist control and regulation in which technocratism and experts hold sway. Here, too, democratization—understood to mean a social control system and a mode of realization of the majority's interests—is the alternative.

**Democratization of the development of science and technology** is without question the key question of control of the "risk potential" contained in the scientific-technological revolution. Democratization affects not only institutional aspects and the question of social control but also the internal development of science within the framework of which there must be a place for alternative directions. It will probably not be entirely possible to avoid erroneous decisions, but they can be reduced to a minimum only in this way.

This, today it is necessary to work with a **broad concept and understanding of democracy**.

Both sociological research and democratic movements themselves unequivocally attest to the fact that democratic needs occupy an increasingly appreciable place among the needs of a growing segment of the population. The masses are no longer satisfied with an abstract democratic ideal or with the right to elect representative bodies every 2 years. They aspire to direct, constructive participation. The new needs of the masses were embodied in various civic initiatives and democratic movements. The crisis of parties and the system of democratic representation is frequently discussed in this regard. The question of whether this thesis corresponds to reality continues to remain open. In any case, the high percent of participation in the elections attests to the reverse. However, there is much evidence that the system of parliamentary representation in its present form is no longer able to respond productively to broad needs for democracy. Therefore the **demands of direct democracy**, which is called upon to play an appreciable role in the new type of democracy, occupies an ever larger place in left-wing and democratic movements.

The need for broader participation makes itself known in the economy, in the labor process, and among the working class as a whole.

As before, the struggle for a law-governed state that corresponds to intrinsic principles remains an important sphere in the struggle for democratization that focuses on the protection of citizens against coercion by the state and the employers, the protection and practical exercise of the guarantees of basic rights, and on securing their further development.

We cannot fail to note that there is an increasing tendency toward the development of an "overseer state" specifically within the framework of the hegemony of the conservative type. New information systems create unprecedented possibilities for citizens to keep tabs on the state, enterprises, banks, etc. Glasnost and democratization are also the only alternative here.

The basic condition to the transformation of democratization into the principal direction of struggle for the reformist alternative can be briefly formulated. Democratization in a society with antagonistic classes is based on the formation of the counterpower of the working class and democratic movements. However if the latter strive for real influence in society, they must not be limited to the right of veto, but must increasingly become what trade union circles call "creative power."

Practice has shown that democratic movements and the social forces participating in it—in addition to the labor movement—are an important source of progressive trends in the political process. Joint actions and the alliance of progressive social forces today form the prerequisites of democratic process in developed capitalist societies.

The experience of constructive coexistence of different social systems creates more favorable conditions for **reciprocal influence** when classes and social forces from both sides participate in the process. The similarity of the problems and aspirations can become the basis of joint actions. This prospect become more and more a reality with the increase in parallel efforts to form healthy international relations and to solve global problems.

Movements and social forces urging democratic reforms in the capitalist countries of Western Europe and change in the present conservative, private monopoly avenue of development are natural allies in the democratization movement in socialist countries. The old anticommunist cliches lose their force to the degree that socialism combines with democracy and includes the values of freedom, basic civil rights, direct democratization, etc., in their basic orientation. Within the framework of the prospect for the development of the modern reform process under socialism, the positive experience of either of the two social systems can become the stimulus for the development of the other.

This is also true when a longer period of time is required to eliminate socialism's lag. Thus, even today democratic aspirations in capitalist countries receive positive impetus as a result of the USSR's transition to the self-management of social organizations (in the sphere of culture and art, for example) or to the election of executives at enterprises and in institutions.

Thus, democratic issues are increasingly the focus of attention in the competition between the two systems. Only in the course of struggle can the masses become aware of the limitations of the capitalist social system. Will this result in the attempt to overcome capitalism



that will depend to a greater degree on the degree of success with which restructuring socialism develops?

### Real avenues of attaining economic democracy

The postwar struggle of trade unions and the working class in the Federal Republic of Germany has resulted in the formation of a system for regulating the legal status of enterprises and firms. Personnel have been granted the right to create an institution of representation through elections on the job and to involve representatives of the working people in observation councils, and, in embryonic form, the right to co-participation and information.

For a long time, this system not only defined the framework of institutionalized partnership between labor and capital. Given the corresponding correlation of forces in production collectives and trade unions, it was also a form of development of the counterpower of the working people. From the trade unions' point of view, however, this system can at best be considered only the threshold to industrial democracy since control over the basic economic processes remains entirely in capital's hands. Trade union programs have therefore included more extensive demands that have primarily emphasized co-participation in the workplace and the influencing of economic processes in and outside the enterprise. What is more, in order to exclude syndicalism limited to individual enterprises and to deprive employers of the possibility of sowing dissension among the ranks of the working people, production representation has always been combined with trade union activity.

Today the conservative government coalition is trying to weaken the unified representation of personnel by modifying the status of enterprises in a number of ways so as to: form top employees into deliberative commissions vested with the right to veto the decisions of the production councils; expand the representation of small groups in production councils based on the reduction of representation norms; continue to keep the question of co-participation in the introduction of new technology outside the framework of the agreements.

As a result of changes presently occurring in capitalist production, the right to co-participation is constantly devalued. The entrepreneurial strategy of flexibilization and deregulation have become an additional factor in its weakening. The latter is directed primarily toward the elimination of the collective potential for protection that the trade unions still possess.

At the same time, there arise **new categories of highly qualified personnel** with a higher need for co-participation. Whether these groups succeed in securing support for collectivist and trade unionist concepts of counterpower or whether they will end up in the wake of entrepreneurial conservative ideology and politics will be of decisive importance. The orientation of the scientific and technical intelligentsia without which the trade unions can hardly exercise social control and exert a

purposeful influence on the scientific-technological revolution is another important question. If they succeed in doing so, there will be favorable conditions for opposing capitalist strategy primarily because the subjective factor of production becomes increasingly important even from the standpoint of capitalist utilitarianism.

Elements of the **new approach to the democratization of the economy** are seen in various movements and social initiatives. They embody the claims of the modern generation of working people to **control and participate in the development of the principles underlying production processes and products**. Demands for the protection of employment are frequent companions. This calls into question the right of capitalist and state management to dispose unanimously over economic and technological processes in production.

In the age of the scientific-technological revolution, the worker's needs are oriented toward co-creativity, toward co-participation, in a word, toward democratization. Practice shows that a strategy that is limited to the task of creating counterpower is insufficient under these conditions. This strategy must be oriented to a greater degree toward the creation of actively intervening and creative power. But this is possible only if there is an orientation toward alternative variants of economic and technological development.

A number of areas already practical experience in the formulation of alternatives:

- production collectives and trade unions in the steel industry, shipbuilding, and certain other branches insist on the formation of special societies consisting of the work force in the given type of production that must concern themselves not only with retraining but also with the formulation of alternative proposals concerning the character of production and types of products, on the basis of which the given type of production can be preserved;
- work collectives and trade unions in the automotive industry are developing plans for the respecialization of the branch in connection with the threat of structural crisis;
- initiatives for the ecological restructuring of production and products are brought forth simultaneously inside and outside of chemical industry enterprises;
- postal and transport workers' trade unions counter government privatization and rationalization policy with social alternatives in the sphere of transport and communication.

These examples also show that a policy that is limited to the enterprise level is clearly insufficient for the attainment of real democratization of the economy. The trade unions' objectives will become practicable only when they are coordinated with the goals of broad social movements.

The introduction of new technology has also become the central problem of trade unions in the representation of personnel at the enterprise. This example makes the flaws in the existing system of co-participation and the limited potential of wage policy particularly evident. At the moment of direct introduction of new technology, the trade unions' potential is very limited. They have therefore advanced the demand for participation in introduction already in the planning phase. Trade unions are now oriented toward the creation of their own ramified technological consultation system. Since the introduction of new technology affects the interests of all hired workers, they are the ones who should become the symbol of struggle for democratization.

The mutual influence of production councils, trade unions, and social movements in the struggle for democratization is obvious. The power of capital can be restricted only through concerted action.

### Social Democrats

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MEZHDUNARODNYYE OTNOSHENIYA in Russian  
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[Article by E. Mange]

[Text] It would be hard to find a country in Western Europe today where the Social Democrats are not discussing the future of their movement and its place in the disposition of social and political forces.

This reappraisal and self-analysis are obviously based on various motivations. Social Democracy in Northern Europe is primarily concerned with protecting the constitutional social state under the conditions of the political hegemony of the neoliberals and neoconservatives on the one hand and the criticism of the ecologists on the other. In Southern Europe, the Social Democratic movement is confronted above all with the task of affirming and stabilizing political democracy while at the same time modernizing the economic system.

### Problems confronting Social Democracy

For all the differences in their status, the parties of democratic socialism in Western Europe are at the same time confronted with the necessity of resolving a number of general problems:

- how to neutralize the negative consequences of economic and cultural “transnationalization”—a process in which the dominant role is played by capital and private enterprises (**the problem of transnationalization of economics and culture**);
- how to create and consolidate well-being, without harming the environment (**the problem of the ecological crisis**);
- how to secure internal stability of social order under conditions when technological innovations are felt even in everyday life—not only in the form of mass

unemployment, but also in the form of the unprecedentedly urgent demand for technological knowledge and for the corresponding skills (**the problem of technological development**).

Coping with the occasionally far-reaching consequences of the social and economic problems that confront European Social Democracy especially in the '70's will require to an equal degree maximum intellectual effort and capacity for political renewal and concern for the fate of its accomplishments. But the “intellectual poverty” of the West European left is obviously not the only problem. It appears that the entire system of reference points that has guided Social Democracy in the postwar period is collapsing. The changes that are in progress are “eroding” three fundamental principles (or paradigms) that Social Democracy has espoused for the last 50 years: the conception of the state as a central coordinating mechanism in the social decision-making process; the Keynesian model of growth and employment as the basis of economic policy; and, finally, a certain type of mass organization as a factor in political relations.

### Paradigms of Social Democracy

Starting with the 19th century, Social Democracy has more and more successfully used the power of large organizations united by internal discipline to counteract the power of capital and the cultural hegemony of the bourgeoisie. It has gradually also learned how to use the potential of the national constitutional state as an economic and social coordinator. The Keynesian understanding of the principles of economic organization and control became the basis of Social Democracy's economic conceptions.

The combination of these factors was responsible for the success of Social Democracy in Western Europe to an even greater degree than socialization and the introduction of planning. It is true that both socialization and planning played an important part in some European countries, in France and Great Britain, for example. Today, however, the fundamental paradigms of Social Democracy are challenged by the four principal factors of change in today's world: internationalization, ecological crisis, computerization, and individualization.

**The organizational paradigm.** The ability of unified mass organizations to achieve success and influence is gradually waning. Class consciousness is eroding if only because class distinctions are disappearing and the classical figure of hired physical labor—skilled or unskilled—has lost its meaning to a considerable degree. The “new middle class” has grown to such a degree that it at least approximates if not surpasses the working class in size. What is more, a worker who is employed a full working day can no longer be considered a typical representative of the average hired worker.

However, organization has not entirely lost its significance as a factor. The problem is rather that not only the working class but many other categories of the population are organized today; society as such has become

highly organized. At the same time, specific features of mass organization are increasingly beginning to contradict both the striving of its members for co-participation as well as their more "commercial," "consumerist" attitude toward organization.

Social Democracy's political organizations have already felt the influence of this factor for a certain time. As a result, they have become more varied and frequently even more democratic. Nevertheless, the contradictory attitude toward unorthodox and "dissident" views remains and occasionally things reach the point where the demand to observe discipline is made, just like in the past. It is obvious that the practical embodiment of the slogan advanced by Brandt in 1969—"take risks for the sake of expanding democracy"—continues to generate problems in our own ranks. The situation is aggravated by another real problem: the need for the simultaneous participation of both the active minority and the "consumer"-minded majority in the affairs of party and trade union organizations. The orientation toward "participation for the sake of participation" can lead, as it did in the '70's, to the *de facto* disintegration of organizations; on the other hand, the reduction of rank-and-file members to the status of ordinary "consumers" stimulates the development of oligarchical tendencies and leads to the increasing barrenness of ideas.

**The national state as coordinator.** The national state has to a considerable degree lost its capacity to coordinate and govern. The reasons for this vary: the internationalization of production and cultural development in combination with the worldwide deregulation of financial and trade policy and the "incomplete Europeanization" of the economic system; changes in the area of economic relations that are closely connected with changes in the defense policy sphere, etc. The specifics of the European situation consist in the fact that the potential for organization and control at the national level diminishes in parallel with the gradual increase in the freedom of trade in the European Community's internal market. Only to an insignificant degree does the factor of all-European structural policy counteract this trend.

Computerization also increases the mobility of enterprises, but this is not equalized by the expansion of political control on any necessary scale.

An equally important role is played by the fact that the individualization process fundamentally alters citizens' attitude toward the key political decision-making centers: the demands that are addressed to the state become different; the authoritativeness of its decisions are diminished; the reaction of the constitutional state to changes in the correlation of forces is clearly inadequate to the rate of these changes.

We should add to this the problem of ecological damage and depletion of natural resources that cannot be resolved with any degree of satisfactoriness if at all through the efforts of one country since this problem goes far beyond national borders.

The national state still preserves its role as a connecting element in the area of culture at least in most European countries. However in the sphere of oversight and management of the economy, the environment, and social relations, its role continues to diminish. Bureaucratization and individualization undermine the ability of the constitutional state to secure the internal solidarity of society from various sides. This makes it necessary to "transnationalize" the functions of political coordination and at the same time to secure their decentralization. The latter lends special dramatism to what is happening since the "Social Democratic compromise" in Western Europe has always been based on the principles of nationally organized centralism.

**The Keynesian paradigm.** Keynesian economic policy of full employment and expanding aggregate demand—a policy that is realized under conditions of the international system of financial coordination and free trade—is the third basic principle of Social Democracy. One of its other features is the universal assumption of inflation as a constant but limited factor and anticyclical intervention in the economy.

But Keynesian policy demonstrates the ever greater ineffectiveness of the system of international coordination of financial and trade relations and the absence of an all-European economic and structural policy that could replace it under the conditions of erosion. The bitter experience acquired by the French socialist party in 1981-83 shows what it means to conduct a policy of national development "against the current": neighboring countries were its primary beneficiaries.

The Keynesian crisis is also a problem with deeper roots. The fact of the matter is that there is no longer a relationship between economic growth policy and the raising of the living standard. Unregulated economic growth inflicts every greater damage on the environment and consequently on the interests of all society. A considerable part of the potential improvement of well-being is "eaten up" by expensive measures that are designed to compensate the disruption of the environment.

Stable economic growth has become possible without a corresponding increase in aggregate demand. The success of the Keynesian "full employment" policy was predicated on the premise that it was realized in a society in which the standard of living of the considerable majority of the population corresponded to the subsistence minimum or did not even reach it. Material sufficiency was the privilege of the minority. The situation has now fundamentally changed. At least two-thirds of the population (at least in the countries of Northern Europe) live under conditions of material well-being and have quite high purchasing power. What is more, internationalization has weakened the previous unconditional dependence of enterprises on the national market. The higher standard of living by definition cannot be equated any longer with the general distribution of

wealth. Economic growth policy and social justice have ceased to be the simple continuation of one another.

Finally, we must not fail to mention inflation that went almost entirely out of control since the late '60's, unquestionably causing serious damage the Western economy, especially the economy of European countries. Panic toward inflation in general—even negligible inflation—has been one of the consequences. This in turn has been a factor in curbing the “invisible” flow of personal incomes to the public sector and has promoted widespread prejudice against the redistribution of income. As a result, even the Social Democrats have issued appeals (frequently substantiated) to reduce the tax burden in order to at least establish control over “illegal income” and to eliminate an exceedingly complicated tax system.

Thus, the traditional “Keynesian” economic growth concept has to a considerable degree lost its attractiveness and has possibly even given rise to doubts concerning its theoretical and practical worth. The crisis of Keynesianism, side by side with the erosion of two other basic principles of Social Democratic policy, created an ideological vacuum that has been filled by alternative political and economic theories. Moreover, these theories proved to be harmonious with the moods of many voters—a fact that could not fail to affect the results of the elections. Social Democracy has had to go on offensive in the ideological area in practically all European countries.

#### **Neoliberals, neoconservatives and ecologists**

Starting in the '70's, neoliberal and neoconservative movements in Western Europe, on the basis of their success in the elections, have been stubbornly striving to reduce state spending. The demands of the neoliberals have for the most part been reduced to giving greater freedom to market mechanisms and to increasing the differentiation of personal incomes as a result of the lowering of the level of social security and the relaxation of state guarantees. The neoconservatives, on the other hand, see the social state (and the individualization connected with it) as a threat to the traditional values and norms of private philanthropy and social responsibility. Both directions see the causes of higher state spending to lie in the psychology of “laziness” and in the socialists' characteristic “penchant for control.” Neoliberals limit themselves to demanding greater freedom for the market and for private enterprises based on the reduction of the state budget, deregulation and privatization. The neoconservatives are waging a “moral offensive” against the social state which they believe encourages laziness, kills private initiative, and, through its connivance, leads to social disorganization that favors the growth of crime. From the neoconservative point of view, economic liberalism can get along very well with rigid regulation in the sphere of culture and with the moral justification of the policy of cutting social spending. According to this logic, deregulation is necessary in the economy but is unacceptable in the social sphere.

These ideas have found embodiment in most complete and final form in the policies of British conservatives and certain liberal parties in countries on the continent of Europe. Of course, European Christian Democracy could not—or did not want to—entirely escape the influence of the neoconservatives and neoliberals. Among Christian Democrats, it is also possible to find various types of moderate neoconservatism, if only because the appeals for “more market, less government,” that have been offered as a prescription for normalizing the economy have received significant voter support. The practical implementation of this prescription all the way up to 1986 has met, at least outwardly, with economic success: unemployment in general has declined since 1984, runaway inflation has been curbed, investment has grown, and the income of “two thirds” of society has grown. Such a turn of events has only strengthened mistrust in Keynesianism and the social-democratic orientation toward the state as the principal regulator of economic and social relations.

What is more, in some countries, especially West Germany but Belgium and Sweden as well, Social Democracy is subject to a not unsuccessful onslaught by new ecological movements that combine the criticism of state intervention and many other phenomena (including bureaucratization) with the criticism of a scornful attitude toward ecology, conservatism in cultural issues characteristic of Social Democracy and trade unions (especially in regard to feminism), and conformism in the discussion of national security problems and the arms race.

However it would be insufficient to confine ourselves to the simple indication of these movements' lack of constructive elements and then to return confidently to the usual order of things. In some European countries, especially in countries where economic and social change has been accompanied by improvements in living conditions, the voters are voting against (perhaps, only temporarily) the unreliable and occasionally excessively rigid system of social protections created by the efforts of Social Democracy. They instinctively realize that the Social Democratic ideology is the captive of its own paradigms that have lost their convincingness and political effectiveness.

Social Democracy must develop effective, confidence-inspiring methods of solving at least four problems. First, securing the protection of nature as a factor of production, and the inclusion of this factor in economic policy; second, determining the place that labor will occupy and the determining its integrating role in society, which has been modified as a result of economic, technological, and cultural changes; third, creating effective control over poverty that has once again surfaced in an atmosphere of social change; and, fourth, putting an end to the growing, very harmful, gap between the transnationalization of the economy, technology, and national security problems on the one hand and the lack

of the proper level of "Europeanization" of the political sphere and activity of working class organizations on the other.

The worst thing that Social Democracy can do under such conditions is to postpone the key problems it encounters, the political conceptions of the "new right," and reach the conclusion that these problems are by their nature born of "right-wing" ideology.

### Position of Workers

18160012e Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 pp 108-109

[Article by P. Havas]

[Text] Of course, no one will dispute the profound changes that have taken place in various spheres of postwar capitalist society. However I would list in first place among them what can be called the "integration" of part of the working class into the capitalist political system, as a result of which the latter has in turn undergone a definite evolution. The consequence has been the substantial strengthening of the position of the working class in relations with employers; these relations have been based on a kind of "social contract" between labor and capital. The recognition of many social rights as civil rights became one of the working people's most important accomplishments in the course of their "integration" into the capitalist political system.

It should be noted that it was possible to reach a consensus in the political sphere because the system of values and interests of the working class during the given period was quite simple and single-valued since it was basically determined by such factors as class affiliation and the recognition of contradictions between labor and capital. However, the political consensus began to disappear approximately since the '70's. The growing "atomization" of the system of values and interests of the working class, which primarily affected the class element of consciousness, became the primary cause of this process.

In other words, class consciousness went through important changes starting in the '70's. First of all, it became one of the many types of mass consciousness and lost the character of a universal trait that is inherent in all working people. What is more, the gradual accumulation of "above-class" values in the minds of the masses ultimately led to the development of a type of thinking in "above-class" categories.

On the other hand, even though the "economic" way of thinking retains its significance, another, "ecological" component has been affirmed in addition to it.

Of course, for all the importance of changes in the mass consciousness, they do not tell the entire story of change in the system of capitalist social relations of late. We should note among the latter, for example, changes in the

system of social production: in addition to the "Ford" mode of production, new, "post-Ford" forms emerged.

Nevertheless, the impression is created that the discussion among West European left-wing forces revolves around one central issue: are the interests and values of a given type that can be considered dominant at the present time—class or "postclass," economic or ecological? There is substantial difference of opinion on this question in the left-wing camp. In my view, none of the indicated types of consciousness can be considered dominant at the present time. They coexist today and their joint existence will be quite prolonged. Therefore any variant of the democratic alternative should be considered in terms of the parallel existence of these two types of mass consciousness. We cannot place our stakes on any one of the competing types of consciousness. I repeat that class and above-class, economic and ecological components and characteristics also coexist in the corresponding way of thinking in West European society.

It would probably be possible to name several other such "pairs" that coexist in the mass consciousness and that simultaneously influence the masses' way of thinking. All this seriously impedes the development of any one democratic alternative. It is unlikely that there is any party that could take it upon itself to develop such an alternative since by itself it can hardly express the complex, multilevel system of interests and values that presently dominate the mass consciousness in Western Europe. It is therefore my belief that the leftist forces must strive for a coalition in order to develop a clearly defined anticonservative alternative. Naturally, it is impossible to form coalitions without serious concessions on the part of the leftist parties. But without such concessions, without a broad understanding of the interests of the masses in a pluralistic society, it is impossible to be victorious at the polls, to halt the further development of a tendency that we justifiably call the "conservative wave."

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"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1989

### Japanese Scholar Questions 'New Political Thinking'

18160012f Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 pp 134-136

[Article by S. Asahara, director, Institute of International Relations: "Letter to the Editor"]

[Text] The leadership of IMEMO and the editors of MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA received a letter from S. Asahara, director of the Tokyo Institute of International Relations, in which he called upon the readers of MIROVAYA

*EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA and other strata of the nation's public to answer a number of questions that are of current concern to Japanese readers.*

*At the same time that the editors publish S. Asahara's letter, they reply to him with the article by Ye. Primakov, V. Martynov and G. Diligenskiy.*

To: Ye. M. Primakov, academician; director;

V. A. Martynov, corresponding member, USSR Academy of Sciences;

G. G. Diligenskiy, professor; editor-in-chief, ME I MO,

Institute of World Economics and International Relations of the USSR Academy of Sciences

Dear Comrades!

The Japanese public's interest in the Soviet Union has increased considerably of late. Special attention is devoted to fundamental theoretical questions advanced by the 27th CPSU Congress and the 19th All-Union Party Conference that have become the subject of discussion among theorists and practical workers in the Japanese labor movement, Marxism-oriented social scientists, and broad strata of actively thinking working people.

Participants in the discussion include the quarterly journal represented by me—SEKAI KAYDZAY TO KOKUSAY KANKEY (World Economics and International Relations), its translation and editorial collegium, and the scientific societies and circles connected with us. The ongoing discussion expresses highly varied, occasionally diametrically opposed points of view on some of the most topical issues. In this connection, I would like to know your opinion regarding the following.

1. The report by M. S. Gorbachev, general secretary, CPSU Central Committee, at the sitting dedicated to the 70th anniversary of the Great October Socialist Revolution formulated the premise that "general human values are the most important regularity in a **unified** (whole?—S. A.) world." This thesis was further developed at the 19th All-Union Party Conference: "...from the very beginning, Marxism has devoted much attention to the idea on the interrelationship between the interests of the proletariat and common human interests...as a result we have reached a conclusion on the priority of common human values at the present time. This is the nucleus of the new political thinking."

A number of Japanese comrades perceive the direct comparison of the common human approach to the class approach critically, seeing in it the possibility of theoretical validation of the policy of "containing the class struggle" against imperialism and monopolies, the policy of "political armistice" and "embellishment" of the monopolistic bourgeoisie, which is contrary to the principles of historical materialism.

Unfortunately, translations into Japanese have not been without distortions. Thus, "whole"—a term that has great semantic significance as been incorrectly translated as "unified"<sup>1</sup>, which has unquestionably complicated the understanding of the essence of the question.

The idea of the wholeness of the world is a fundamental category of Marxism-Leninism. In the past, it was designated by the term "universal, universality." Is the use of the new term "wholeness" by M. S. Gorbachev dictated by stylistic, contextual considerations or does it have a certain meaning that differs from the previous meaning?

2. The new political thinking finds support in Japan as a real way of eliminating nuclear weapons, which is viewed as a top-priority task of world socialism and the worldwide historical mission of the working class. However it also has broader theoretical and practical significance and occupies a special place in the development of the theory of Marxism-Leninism.

These problems are discussed in A. Galkin's article "The New Political Thinking and Problems of the Labor Movement." While raising the question "is not the new political meaning a simple synonym for the present stage of creative development of Marxist-Leninist theory?"<sup>2</sup>, the author avoids answering it directly. We are not convinced by the argument that "this is how it is on the one hand" and that on the other, the new political thinking "must be transformed into an organic element not only of the Marxist world view, but also of ideological systems that oppose Marxism." Inconsistency in the approach to commonly accepted concepts and definitions can intensify the theoretical turmoil in the ongoing discussion, in connection with which we would like to receive more precise clarifications.

3. The new political thinking also changes our views about peaceful coexistence. They are still connected with the class struggle and the basic contradiction of modern times.<sup>3</sup> The priority of common human values and the wholeness of the world are now advanced to the forefront. Does this not lead—in addition to the understanding of the historical duration of the given process and the urgent necessity of eliminating nuclear weapons—to the substantial correction of views regarding the correlation of peaceful coexistence and the basic contradiction of modern time?

4. A number of questions are connected with the conception of the world economy that was developed over a period of many years by the journal ME I MO. The new understanding of the contradictory wholeness of the modern world has also been reflected in the draft of a Soviet political economy textbook in which the world economy occupies an independent place in special Section 4.<sup>4</sup> Under the conditions in which the theory of world economics is undergoing further development, it is necessary to clearly define the economic base and the

regularities of the "contradictory wholeness," the mechanism underlying the interconnection of the two different social systems, and the driving forces behind the world economy.

5. What new contributions has the new thinking made to the theory of contemporary imperialism and state-monopoly capitalism? We took note of V. Medvedev's article "The Great October Revolution and the Modern World" in the journal *KOMMUNIST* (No 2, 1988). The author asks whether the age of free competition is the forerunner of monopolistic capitalism, whether the latter is an adequate form of the capitalist mode of production, and advances fundamentally new ideas.

We believe that the statement about "adequate form" is contrary to the theoretical premise that "capital negates itself within the framework of capital and on the basis of capital." The author cites **historical factors** as arguments—the length of time state-monopoly capitalism has been in existence, its qualitative changes, its reaction to the development of the productive forces.

The term state-monopoly capitalism belongs to V. I. Lenin, who theoretically substantiated it as follows: "It is this combination of antagonistic principles, viz., competition and monopoly, that is the essence of imperialism, it is this that is making for the final crash, i. e., the socialist revolution."<sup>5</sup> We believe that the definition "dying-transition," the definition of the end of imperialism as a phenomenon that, being artificially surmountable, will inevitably rot, and is the theoretical basis of Lenin's view of imperialism. As regards the adaptability of contemporary state-monopoly capitalism, in our opinion it is at extreme odds with the capitalist mode of production and it is therefore extremely contradictory in its adaptation to the development of modern production and society, to the scientific-technological revolution without altering its capitalist essence in the process.

During the stormy revolutionary period, V. I. Lenin wrote: "in order not to lose our way in these zigzags...it is, in my opinion, important not to discard our old, basic program."<sup>6</sup> We are hoping for reasoned criticism of our "old program."

6. It was V. I. Lenin who said that "the international revolutionary movement of the proletariat does not and cannot develop evenly and in identical forms in different countries."<sup>7</sup> Under present conditions, when the international labor and communist movement has become "a million times" more diverse, when in a certain sense differences in the status of the working class in capitalist and socialist countries is increasing more and more, this statement by Lenin acquires special significance.

We believe that it is impossible to avoid certain problems when the ideas of the new political thinking, which proclaim the priority of common human values as a regularity of the whole world are introduced directly, without the corresponding indirect measures, to the working class which is fighting the domination of

monopoly capital. The theoretical and practical combination of the priority of common human values and the class struggle is an extremely complex problem.

This problem is raised in G. Diligenskiy's article "Revolutionary Theory and Modern Times" which states in particular: "The close combination of class, group, and common human interests acquires particularly timely significance in the development of the antimonopolistic opposition and consequently, in the development of the revolutionary process as well."<sup>8</sup>

But what do the words "organic combination" mean? However, it is by no means clear the kind of combination that is meant and what is needed to realize the tasks that in the opinion of the classics of Marxism-Leninism are attainable only as a result of the class struggle of the workers of different countries. We believe that G. Diligenskiy's thesis contains the hint that monopoly capital is at the present time the opponent of common human values and interests, is a force that opposes their realization. Without such an understanding of the question and without the recognition of the fact that the monopolistic bourgeoisie grows into superimperialism, it is difficult to realize the "organic combination" in practice.

We hope that your journal will continue to publish materials and to amplify the discussion on urgent problems of modern time, and will make its contribution to the theory and practice of the international labor movement.

#### Footnotes

1. See "Konnti-no Sorenpo" ("The Soviet Union Today"). The word "whole, wholeness" was subsequently translated as "unified, unity" in Japanese publications.

2. See *ME I MO*, No 5, 1988, p 32.

3. See, for example: A. Rumyantsev, "Problemy sovremennoy nauki v obshchestve" [Problems of Modern Science in Society], Moscow, 1969, pp 68-73.

4. See *VOPROSY EKONOMIKI*, No 3, 1988.

5. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Collected Works], Vol 32, p 146.

6. *Ibid.*, Vol 36, p 47.

7. *Ibid.*, Vol 17, p 182.

8. See *ME I MO*, No 3, 1988, p 22.

**Book on British Foreign Policy Reviewed**

18160012g Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 pp 137-139

[Review by V. Matveyev of book "Ocherki britanskoy vneshney politiki. (60-80-ye)" [Essays on British Foreign Policy (from the '60's to the '80's) by Aleksandr Lebedev. Moscow, Mezhdunarodnyye otnosheniya, 1988, 304 pages]

[Text] Researchers attempting to define the specifics of London's international policy have long adopted the evasive formula: "Britain is at the crossroads..." But how long can it be at the crossroads? The author of the book under review asks this question and indicates a number of spheres of British diplomatic activity. He leaves no doubt that the "crossroads" formula is obsolete, that it has to make a choice on many questions, even though it is impossible to speak about any kind of "finality." Like other countries with extensive foreign relations, Great Britain is compelled to react to changes in the world, to adapt to them.

What is the point of departure? "British ruling circles," A. Lebedev writes, "have attempted to minimize the consequences of the narrowing of their potential and to retrain their influence in the world" under the conditions that existed after the end of World War II (p 9). Thus a 1948 conference of the Conservative Party formulated the "three spheres" or "three circles" concept that was dictated by the hope that Britain would be able to function in three roles simultaneously: as the leader of Western Europe, as a binding link between it and the USA, and as a center of the vast empire that still existed.

The book speaks about Churchill and Eden as the principal authors of the "three circles" concept even though, of course, the circle of those comprising the erstwhile Conservative brain trust was wider. The party's "research center" was headed by R. Butler, who gathered around him a group of young people with initiative who subsequently occupied responsible posts in the Macmillan, Hume, and Heath cabinets.

One would like to see a higher degree of personification of the currents and opinions associated with the discussions and with the development of foreign policy principles in the presentation of material relating to the period between the '60's and '80's. During all the postwar decades, different views and accents have clashed and continue to clash in the British hierarchy irrespective of party affiliation: advocates of the "European orientation," "toward the USA" "imperialists" and "post-imperialists." Any scientific material will only gain from the characterization of such figures in their real "flesh."

In this sense the author was entirely justified in making the "Soames affair" a special section showing how this prominent Tory, Churchill's son-in-law tried to clear the way for his country's entry into the Common Market and the difficult situation Whitehall diplomacy was placed in

by General de Gaulle, the French president, who regarded Britain as Washington's agent.

The book's primary focus is probably "The Battle for Europe"—the name given by the researcher to such efforts by Tory and Labour cabinets. This would seem to be entirely justified. The entire "three circles" concept—it originated with the Conservatives, was for the most part accepted by Labour Party leaders, and retains its timeliness to the present—could fail as Great Britain's signpost since the "nightmare of coalition" began looming before the country's ruling circles on this side of the English Channel as of the late '50's.

Many British specialists and politicians consider London's belated decision to join the Common Market to be the most serious miscalculation of Britain's highly experienced diplomacy in the postwar period. A. Lebedev refrains from making such a categorical assessment and instead concentrates his attention on this diplomacy's maneuvers particularly in relations with Paris and Bonn directed toward clearing the way to the EEC. There is a detailed treatment of the internal struggle in Great Britain around the Common Market. Factual material of this type suggests that under the specific conditions of the '50's, British diplomacy had to distance itself from the drafting of the Rome Treaty of 1957 and from joining in the treaty. Foreign trade was to a considerable degree oriented toward countries belonging to the British Commonwealth. Both Churchill, the veteran Tory, and Gaitskell, the rising star of the Labour Party leadership, spoke out against the country's participation in the new association.

Moreover, Washington did not have a precise, definite position on how to relate to Britain's membership in the European Community and indeed, on how to view this grouping in general. Judging by the place assigned in the work to Anglo-American relations, the author considers this issue the next in importance after the European direction of London's foreign policy. It is characteristic that he ends the presentation of material connected with the participation of Britain in the Community with a section entitled "Britain 'Ties Up to' Europe." The agreement between Thatcher and Mitterand to build a railroad tunnel under the English Channel is viewed as such a decisive step for Britain even though it is noted that "this does not in any way mean an end to clashes with its partners on all manner of issues" (p 94).

But did Britain in the person of its present government finally cast the die in favor of the European orientation? If this is the case, it really means a substantial adjustment of its postwar policy.

A. Lebedev himself weakens the idea that Britain is "tied to" Western Europe by stating the fact that the '80's introduced many new elements into the further development of the privileged nature of Anglo-American relations. The book states: "One can without exaggeration speak about the period of their flourishing" (p 111). It is difficult not to agree with this. To be sure, the reference



to the close personal relationship between Reagan and Thatcher is equally valid. How relations between London and Washington will form with the new U.S. President, only time will tell. When Bush was vice-president, he openly irritated London with the public announcement that Britain should not try to play the middleman between Washington and Moscow, that the USA could cope with this task itself...In one way or another, in their practical steps, British politicians have as a rule operated and continue to operate on the basis of the paramount importance that close ties with the United States holds for them.

The unwritten alliance that has existed between Britain and the USA is based not so much on their Anglo-Saxon kinship that is expressed in the common language as on another factor. Incidentally, in the '20's and early '30's, the kinship did not prevent sharp Anglo-American conflicts. Declassified documents from the British cabinet archives show that in the early '30's its members even discussed the possibility of conflict with the United States over rivalry in the market. The situation changed dramatically in 1940 when the Churchill government was compelled to request emergency financial and military aid in exchange for a U.S. 99-year lease on a number of British possessions in the Atlantic Ocean.

During the war, London attached top priority to cooperating with the USA in work on atomic weapons. After congress passed the Macmahon law in 1946 annulling earlier agreements with Washington in this area, the question of future relations with the USA became extremely important to Whitehall because Tory and Labour Party leaders were equally filled with resolve to make Great Britain a nuclear power. In 1958 London finally succeeded in obtaining Washington's formal agreement to assist in increasing and perfecting this arsenal. Therefore, A. Lebedev's statement that the nuclear cooperation problem was a most important aspect of Anglo-American relations in the early '60's narrows the chronological framework of the priority that this question holds for the British hierarchy in its relations with the USA. It remains so to this very day especially when one considers certain differences that have been noted between the USA and Britain of late in the interpretation of prospects for nuclear weapons reduction.

The "attachment" to the United States in the nuclear area has more than once restricted London's freedom of action in the international arena. Situations developed where British ruling circles had to check themselves so as not to evoke the dissatisfaction of their American ally and not to endanger their cooperation with Washington in the nuclear area. Consequently, the preservation of what is called the "national nuclear deterrent" in Whitehall officialese frequently requires sacrifice in favor of the senior partner. The book could have depicted this aspect of Anglo-American relations more distinctly.

On the whole, the book offered an objective, unsimultaneous spectrum of British diplomacy's positions in the

face of the United States. The author justly avoids evaluating the evaluation of these positions exclusively from the viewpoint of the "junior partnership." London has more than once demonstrated its independence in issues that do not affect cardinal problems in British-U.S. relations. It correctly notes that the "special relationship" between the USA and Great Britain can be both a negative as well as a constructive factor in world politics.

As regards the "third circle," up until the mid-'80's, the periodic crises of sterling currency, the decline in production in the key traditional branches of industry, the inability of business to compensate the decline in trade with most countries of the British Commonwealth through the acceleration of exports to Western Europe—all these were serious "minuses." In the last 2-3 years, business conditions have been recovering but primarily as a result of the increase in the role of the City as an international financial center and the growth of the country's "invisible revenues."

There is no empire, but there is still nostalgia for the empire based on the far-flung network of small island possessions—miniature colonies, while overseas expansion has taken on the clearly expressed character of overseas capital investment. The book asks: are there resources for imperial ambitions? Considering the fact that British business receives rather goods dividends on its investments, it can be said that even without the empire it has not only been able to preserve its positions, but even to enhance them in various corners of the world. This is why London, as A. Lebedev notes, favors the expansion of NATO activities and has established its own rapid deployment forces. The frequently very contradictory role of British foreign policy is expressed therein. Britain has frequently put a spoke in the wheel of the detente process and in other cases has promoted this process.

In the period under review (from the '60's to the '80's), the pendulum of Great Britain's relations with socialist countries, *inter alia* with our country, occasionally fluctuated until positive trends became dominant starting with the second half of the '80's. "Today there are probably more spheres in world politics," we read, "where notwithstanding all the seemingly total ideological incompatibility, at the given level of confidence, there is very wide agreement of political and economic interests" (p 294). This is a valid conclusion. The author does engage in wishful thinking, does not ignore the differences that still exist between the governments of our two countries on a number of issues, but at the same time convincingly demonstrates factors operating in favor of a realistic approach by Britain to international problems that are of no little importance to socialist countries.

The City notes with regret that Britain has now dropped to seventh place among Western countries trading with the Soviet Union. It still occupies a relatively modest place in terms of joint ventures with Western business in our country.

In the distant and not so distant past, within the British political hierarchy there have been lively discussions of the kind of policy that should be pursued vis-a-vis the Soviet Union. Our historians specializing in international affairs must, in the spirit of the new political thinking, ask themselves the question: has Soviet officialdom always made sufficient efforts in the necessary direction to organize constructive relations with Great Britain? There are undeniably many negative aspects to the policies of the British ruling circles. This side of the matter has been properly described in our scientific literature. But there is also another side. We have not always taken into account steps taken by Great Britain to normalize the international situation. We have tended to focus attention on the negative aspects.

If in the second half of the '80's, Soviet officialdom perpetuated the approach that was dominated by the principle of "point against point" and if stubborn efforts were not made to eliminate obstructions in Soviet-English relations for which we are not at fault, it would hardly be possible to simply normalize these relations, and as M. S. Gorbachev's official visit to London in April of this year shows, their development promises not a brief change but a fundamental transformation.

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18160012h MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 6, Jun 89 p 150

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### List of Books Recently Published

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[Text] Ansoff, I. "Strategicheskoye upravleniye" [Strategic Management]. Abridged translation from English. Moscow, Ekonomika, 1988, 519 pages.

Bukharin, N., "Politicheskaya ekonomiya rantye. Teoriya tsennosti i pribyli avstriyskoy shkoly" [Rentier Political Economy. The Austrian School's Theory of Value and Profit]. Reprint of 1925 edition. Moscow, Moscow affiliate of the "Orbita" Polish-Soviet Publishing and Printing Company, 1988, 191 pages.

Bush, Dzh., "Glyadya v budushcheye. Avtobiografiya" [Looking to the Future]. (In collaboration with V. Gold). Translated from English. General editor: G. I. Gerasimov. Moscow, Progress, 1989, 333 pages.

Govorits, D. and Kolyer, P., "Klan Kennedi. Amerikan-skaya drama" [The Kennedy Clan. An American Drama]. Translated from English. Moscow, Progress, 1988, 496 pages.

Denisov, V. I., "Koreyskaya problema: puti uregulirovaniya. 70-80-ye gody" [The Korean Problem: Avenues of Regulation. '70's and '80's]. Moscow, Mezhdunarodnyye otnosheniya, 1988, 141 pages.

"Diplomatiya imperializma v mezhdunarodnykh ekonomicheskikh organizatsiyakh" [The Diplomacy of Imperialism in International Economic Organizations]. Responsible editor: A. P. Ognev. Moscow, Nauka, 1989, 229 pages.

Yermakova, A. V., "Chelovek i organizatsiya truda v usloviyakh sovremennogo kapitalizma. Filosofsko-sotsiologicheskii analiz" [Man and the Organization of Labor Under the Conditions of Modern Capitalism. Philosophical-Sociological Analysis]. Moscow, Izdatelstvo MGU, 1988, 136 pages.

"Za mir i bezopasnost narodov. Dokumenty vneshney politiki SSSR. 1986 g. V 2-kh knigakh. Kn. 1. Yanvar-iyul" [For Peace and the Security of Peoples. USSR Foreign Policy Documents. 1986. In 2 books. Book 1. January-July]. Editorial collegium: L. F. Ilichev, et al. Moscow, Politizdat, 1989, 608 pages.

Zakharov, S. N., "Effektivnost vneshneekonomicheskogo kompleksa: metody obosnovaniya i stimulirovaniya" [The Effectiveness of the Foreign Economic Complex: Methods of Substantiation and Stimulation]. Moscow, Ekonomika, 1988, 247 pages.

"Kompleksnaya programma nauchno-tehnicheskogo progressa stran-chlenov SEV kak faktor uskoreniya ikh sotsialno-ekonomicheskogo razvitiya" [The Comprehensive Program of Scientific-Technical Progress of CEMA Member Nations as a Factor in the Acceleration of Their Socioeconomic Development]. Moscow, Vysshaya shkola, 1989, 159 pages.

"Kratkiy vneshneekonomicheskii slovar-spravochnik" [Short Foreign Economic Reference Dictionary]. Moscow, Mezhdunarodnyye otnosheniya, 1988, 196 pages.

"Mir sotsializma v tsifrakh i faktakh. 1987" [The Socialist World in Figures and Facts. 1987]. Moscow, Politizdat, 1988, 208 pages.

"Narody mira. Istoriko-etnograficheskiy spravochnik" [Peoples of the World. Historical-Ethnographic Handbook]. Chief editor: Yu. V. Bromley. Moscow, Sovetskaya entsiklopediya, 1988, 624 pages.

"Noveyshaya istoriya arabskikh stran Azii. 1917-1985" [Contemporary History of the Asian Arab Countries. 1917-1985]. Editorial collegium: Ye. M. Primakov, et al. Moscow, Nauka, 1988, 639 pages.

"Panorama ekonomicheskoy perestroyki" [The Panorama of Economic Restructuring]. Editor: L. I. Abalkin. Moscow, Ekonomika, 1989, 318 pages.

Pashchuk, V. V., "Kuba: revolyutsiya i vneshnyaya politika" [Cuba: Revolution and Foreign Policy]. Kiev, Politizdat Ukrainy, 1989, 317 pages.

Pestel, E., "Za predelami rosta" [Beyond the Limits to Growth]. Translated from English. General editing and introductory article by D. M. Gvishiani. Moscow, Progress, 1988, 270 pages.

"Sovremennyye Soyedinennyye Shtaty Ameriki. Entsiklopedicheskiy spravochnik" [The United States of America Today. Encyclopedic Reference]. Editorial collegium: G. A. Arbatov, et al. Moscow, Politizdat, 1988, 542 pages.

"Sovremennyy imperializm: tendentsii i protivorechiya" [Modern Imperialism: Trends and Contradictions]. Editors: Ye. M. Primakov and V. A. Martynov. Moscow, Mysl, 1988, 687 pages.

"Sovremennyy kapitalizm: rol vneshneekonomicheskikh svyazey v NTP" [Modern Capitalism: the Role of Foreign Economic Relations in Scientific-Technical Progress]. Responsible editor: I. Ye. Artemyev. Moscow, Nauka, 1989, 185 pages.

"Sorevnovaniye dvukh sistem: razvitiye sotsializma v usloviyakh mirovoy ekonomiki. Issledovaniya, diskussii, materialy" [The Competition Between the Two Systems: The Development of Socialism Under the Conditions of the World Economy. Research, Discussions, Materials]. Moscow, Nauka, 1989, 360 pages.

"SSSR i zarubezhnyye strany. 1987. Statisticheskiy sbornik" [The USSR and Foreign Countries. 1987. Statistical Collection]. Moscow, Finansy i statistika, 1988, 382 pages.

Sudoplatov, A. P., "Sovremennaya burzhnaznaya demografiya. Kritika osnovnykh teoreticheskikh kontseptsii" [Modern Bourgeois Demography. Critique of Basic Theoretical Concepts]. Moscow, Mysl, 1988, 318 pages.

"SShA i obshcheyevropeyskiy protsess" [The USA and the General European Process]. Responsible editor: Yu. P. Davydov. Moscow, Nauka, 1989, 158 pages.

"Usoskin, V. M., "Denezhnyy mir' Miliona Fridmena" [Milton Friedman's 'Money World'"]. Moscow, Mysl, 1989, 174 pages.

Ustinov, I. N., Feonova, L. A., and Nikolayev, D. S., "Ekonomika i vneshne-ekonomicheskiye svyazi SSSR. Spravochnik" [Economics and Foreign Economic Relations in the USSR. Handbook]. Moscow, Mezhdunarodnyye otnosheniya, 1989, 480 pages.

Fedoseyev, A. A., "Sovremennaya amerikanskaya burzhnaznaya politologiya: istoki, traditsii, novatsii" [Modern American Bourgeois Political Science: Sources, Traditions, Innovations]. Leningrad, Izdatelstvo LGU, 1989, 215 pages.

Khrutskiy, V. Ye., "Upravlencheskiy potentsial v promyshlennosti SShA" [Management Potential in U.S. Industry]. Moscow, Nauka, 1988, 132 pages.

Chayanov, A., "Kratkiy kurs kooperatsii" [Short Course on the Cooperative System]. Reprint. Tomsk, Knizhnoye izdatelstvo, 1988, 71 pages.

Yakovleva, Ye. L., "Smeshannyye obshchestva v praktike stran-chlenov SEV" [Mixed Companies in the Practice of CEMA Member Nations]. Moscow, Mezhdunarodnyye otnosheniya, 1989, 158 pages.

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#### Meetings, Visitors at Institute Chronicled

18160012j Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 6, Jun 89 pp 152-153

[Article: "Chronicle of Scientific Life at the Institute of World Economy and International Relations of the USSR Academy of Sciences"]

[Text] A sitting of the Scientific Council of the Institute of World Economy and International Relations of the USSR Academy of Sciences heard and discussed the report by L. M. Grigoryev, candidate of economic sciences; head of the sector of market conditions and statistics: "Features of the Cyclical Upswing in Capitalist Countries in 1988." As the speaker noted, the scale of the economic boom in the '80's in the developed capitalist countries came as a surprise to most specialists. The stock exchange panic ultimately "dispelled" inflationary expectations, led to the lowering of interest rates, and spurred the growth of economic activity. Thus the real GNP of OECD countries in 1988 rose by 4 percent (the average for 1980-1987 was 2.3 percent), commodity exports—by 9.5 percent (2.2 percent); industrial output—by 5.5 percent (1.6 percent). The reasons for this are rooted in the general character of economic development in the current decade, which was described in detail in the report.

The upswing in 1987-1989 has been of a more pronounced cyclical nature: there is considerable investment in the expansion of capacities, production is on the rise in practically all branches, including the basic and raw materials branches, and prices and interest rates are gradually increasing. The increase in the role of private enterprise in solving reproduction problems is characteristic of the entire upswing in the '80's. The privatization of a significant percentage of the state companies and the very large wave of mergers and takeovers (and bankruptcies) have not only reflected the need for change in the structure of property in the face of broad structural changes, but have also become an important method of adapting to the new conditions of reproduction. The upswing in the '80's, the speaker noted, promoted a high degree of stability of power and economic policy in the largest Western countries. This was the first upswing (since the '20's) under the conditions of open domination of the neoconservative approach to state-business relations. It can be said that this upswing was "drawn out" by the corporations. At the same time, the level of actual intervention by the state in economic life, albeit subtle and indirect, remained considerable.

In L. Grigoryev's opinion, the present cyclical upswing in the developed capitalist countries is developing the prerequisites for its culmination with objective inevitability. The impending complication of the situation, in particular, the threat of inflation is already quite clearly recognized by Western forecasters and economic policymakers. The scientist believes that attempts to use credit-financing regulation methods to cool down the "overheated" economy can be expected, while curbing inflationary acceleration, and to weaken economic growth without waiting for the situation to get out of control.

The Institute of World Economy and International Relations of the USSR Academy of Sciences was visited by James Hecht, a professor from the University of Delaware. In his words, the principal reason for his visit was to search for possible spheres of economic collaboration between the two great powers and to promote the further development of a broad spectrum of mutually advantageous relations between them. In this regard, the American scholar, who talked with the Institute's scientific specialists, emphasized his well-wishing attitude toward the Soviet Union, especially now, during the period of perestroika and social renewal. At the same time, he believes that the existing objective conditions for large-scale expansion, in particular, of economic interaction are to a considerable degree restricted by routine political, technological, and financial factors. In the existing situation, there should be more vigorous search for spheres that might be of mutual, long-term interest. In J. Hecht's opinion, the security of any country in the foreseeable future will increasingly depend on its economic might, its competitiveness in world markets, and to a lesser degree on purely military factors. In this context, he suggested the more decisive reduction of defense allocations initially on a unilateral basis. The

reciprocal balanced reduction of this spending would help to increase the share of "creative" capital investments in the GNP and to thereby accelerate economic and scientific-technical progress. At the end of the meeting, the professor gave his Soviet colleagues preprints of his scholarly articles on the relationship between international competitiveness, capital investments, and security and on the production of synthetic liquid fuel.

The institute was visited by Professor G. A. Yakobsen of the University of Bonn (Federal Republic of Germany). His meeting with a group of IMEMO scientific associates was primarily devoted to the discussion of East-West relations under present conditions, to curbing the arms race, and to arms control. Both sides agreed that the attainment of a lasting peace and the establishment of genuine mutual understanding and trust require the consistent implementation of a more open policy, the expansion and strengthening of confidence measures between Warsaw Pact and NATO countries, the more energetic reduction of strategic and conventional arms, and the gradual elimination of various imbalances that have developed here. While noting the vital importance of the all-round expansion of the sphere of cultural, humanitarian, and economic ties, the visitor expressed the opinion that the level and character of mutual threat in the present situation no longer has an objective basis and is primarily the product of propaganda that is not one-sided. He answered in detail a number of questions regarding attitudes in the Federal Republic of Germany toward Soviet proposals on conventional arms reduction, the present and prospective state of West European military and military-economic integration, and the formation of NATO's "West European support." At the conclusion of a substantive talk, the professor was presented a copy of the monograph "Voyenno-ekonomicheskkiye svyazi stran NATO: tseli, masshtaby, formy realizatsii" [Military-Economic Relations of NATO Countries: Goals, Scale, Forms of Realization] written by IMEMO scholars.

There was a meeting between a group of representatives of the National Irish Youth Council and young IMEMO scientific associates. The visitors were given a detailed briefing on the institute's activity under the conditions of perestroika, the basic directions of research, in particular, urgent tasks addressed by a task force of the Department of Disarmament Problems. They showed special interest in the elaboration of problems associated with the reduction of conventional arms. At their request, delegation members received a detailed briefing on the processes of economic, political, spiritual and cultural renewal in our country—on the goals and character of the radical economic reform, on measures associated with the reform of Soviet society's political system, on the role and place of numerous informal associations in this process. Participants in the talk spoke out in favor of the expansion and strengthening of bilateral relations and contacts and the more energetic

participation of students and young specialists in the struggle for a lasting and just peace and for international security.

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